

## HOUSE BILL NO. 124

INTRODUCED BY B. STORY

BY REQUEST OF THE LOCAL GOVERNMENT FUNDING AND STRUCTURE COMMITTEE

A BILL FOR AN ACT ENTITLED: "AN ACT GENERALLY REVISING THE LAWS GOVERNING LOCAL GOVERNMENT AND STATE REVENUE COLLECTION AND ALLOCATION; CLARIFYING STATE MANDATES THAT MAY NOT BE IMPOSED ON LOCAL GOVERNMENTS WITHOUT FUNDING; ELIMINATING SPECIFIC STATUTORY MILL LEVY RESTRICTIONS; REVISING THE LIMIT ON PROPERTY TAXES; PROVIDING FOR A UNIFORM ELECTION PROCEDURE TO EXCEED THE MILL LEVY LIMIT; PROVIDING FOR LOCAL GOVERNMENT ENTITLEMENTS TO ~~REPLACE REIMBURSEMENTS AND TO ACCOUNT FOR REVENUE ALLOCATIONS; CALCULATING ENTITLEMENTS BY DEDUCTING DISTRICT COURT COSTS AND PUBLIC ASSISTANCE COSTS~~ OFFSET PROPERTY TAX REDUCTIONS REPLACE REIMBURSEMENTS AND TO ACCOUNT FOR REVENUE ALLOCATIONS; CALCULATING ENTITLEMENTS BY DEDUCTING DISTRICT COURT COSTS AND PUBLIC ASSISTANCE COSTS; PROVIDING A STATUTORY APPROPRIATION FOR ENTITLEMENT PAYMENTS; PROVIDING FOR FUND TRANSFERS FROM THE GENERAL FUND TO STATE AGENCIES TO ACCOUNT FOR REVISED REVENUE ALLOCATIONS; ~~ELIMINATING INCLUDING STATE PAYMENTS IN LIEU OF TAXES FOR STATE LAND AND LAND OWNED BY THE DEPARTMENT OF FISH, WILDLIFE, AND PARKS IN THE ENTITLEMENT SHARE CALCULATION;~~ PROVIDING FOR CERTAIN UNIFORM VEHICLE FEES; RETAINING VEHICLE FEES, ALCOHOL TAXES, AND GAMBLING TAXES AT THE STATE LEVEL; REVISING THE FUNDING METHOD FOR PROVIDING PUBLIC ASSISTANCE; CONVERTING CERTAIN SPECIAL LEVIES INTO FEES; PROVIDING FOR BLOCK GRANTS FOR SCHOOL DISTRICTS; PROVIDING FOR PAYMENTS BLOCK GRANTS TO COUNTIES FOR DISTRIBUTION TO SCHOOL DISTRICTS FOR PURPOSES OF COUNTYWIDE SCHOOL TRANSPORTATION AND COUNTYWIDE SCHOOL RETIREMENT; APPROPRIATING MONEY FOR SCHOOL DISTRICT BLOCK GRANTS, COUNTYWIDE SCHOOL TRANSPORTATION BLOCK GRANTS, AND COUNTYWIDE SCHOOL RETIREMENT BLOCK GRANTS, AND DISTRICT COURT EXPENSES; PROVIDING FOR FUND TRANSFERS FROM THE GENERAL FUND TO STATE AGENCIES TO ACCOUNT FOR REVISED REVENUE ALLOCATIONS; INCLUDING STATE PAYMENTS IN LIEU OF TAXES FOR STATE LAND IN THE ENTITLEMENT SHARE CALCULATION; PROVIDING FOR CERTAIN UNIFORM VEHICLE FEES; RETAINING VEHICLE FEES, ALCOHOL TAXES, AND GAMBLING TAXES AT THE STATE LEVEL; REVISING THE FUNDING METHOD FOR PROVIDING PUBLIC

1 ASSISTANCE; CONVERTING CERTAIN SPECIAL LEVIES INTO FEES; PROVIDING FOR BLOCK GRANTS FOR  
 2 SCHOOL DISTRICTS; PROVIDING FOR BLOCK GRANTS TO COUNTIES FOR DISTRIBUTION TO SCHOOL  
 3 DISTRICTS FOR PURPOSES OF COUNTYWIDE SCHOOL TRANSPORTATION AND COUNTYWIDE SCHOOL  
 4 RETIREMENT; APPROPRIATING MONEY FOR SCHOOL DISTRICT BLOCK GRANTS, COUNTYWIDE SCHOOL  
 5 TRANSPORTATION BLOCK GRANTS, COUNTYWIDE SCHOOL RETIREMENT BLOCK GRANTS, AND  
 6 DISTRICT COURT EXPENSES; AMENDING SECTIONS 1-2-112, 2-9-316, ~~3-2-714~~, ~~3-5-901~~, 3-2-714,  
 7 ~~3-5-901~~, 7-2-2730, 7-2-2746, 7-2-4111, 7-2-4918, 7-3-1310, 7-3-1311, 7-3-1313, 7-3-4312, 7-6-502,  
 8 7-6-2301, 7-6-2314, 7-6-2319, ~~7-6-2324~~, 7-6-2328, 7-6-2329, 7-6-2345, ~~7-6-2348~~, 7-6-2501,  
 9 ~~7-6-2502~~, 7-6-2511, 7-6-2512, 7-6-2522, ~~7-6-2523~~, 7-6-2523, 7-6-2541, 7-6-4134, 7-6-4238,  
 10 ~~7-6-4259~~, 7-6-4261, 7-6-4272, 7-6-4431, 7-6-4451, 7-6-4453, 7-6-4455, 7-7-2202, 7-7-2206,  
 11 7-7-2303, ~~7-12-1132, 7-12-2105, 7-12-2158, 7-12-2182, 7-12-2185, 7-12-4106, 7-12-4176,~~  
 12 ~~7-12-4222, 7-12-4225, 7-13-124, 7-13-144, 7-13-237, 7-13-309, 7-13-2221, 7-13-2280, 7-13-2302,~~  
 13 ~~7-13-2304, 7-13-2528, 7-13-3020, 7-13-3027, 7-13-4406,~~ 7-14-111, 7-14-232, 7-14-1131,  
 14 7-14-1134, 7-14-1632, 7-14-1633, 7-14-2501, 7-14-2502, 7-14-2503, 7-14-2504, 7-14-2523,  
 15 7-14-2807, 7-14-4106, 7-14-4404, 7-14-4644, 7-14-4734, 7-15-4293, 7-16-101, 7-16-2102,  
 16 7-16-2108, 7-16-2109, 7-16-2205, 7-16-2411, 7-16-2412, 7-16-2431, 7-16-2443, 7-16-4105,  
 17 7-16-4113, 7-16-4114, 7-21-3203, 7-21-3433, 7-21-3457, 7-22-2142, 7-22-2222, 7-22-2306,  
 18 7-22-2432, 7-22-2512, 7-32-235, 7-32-4117, 7-33-2209, 7-33-4111, 7-33-4130, 7-34-102,  
 19 7-34-2131, 7-34-2133, 7-34-2204, 7-34-2303, 7-34-2417, 7-35-2122, ~~10-2-501, 10-2-603~~, 10-2-501,  
 20 10-2-603, 13-13-230, ~~15-1-111, 15-1-112~~, 15-1-402, ~~15-1-501~~, 15-1-501, 15-10-420, ~~15-16-117,~~  
 21 ~~15-24-303, 15-24-902, 15-24-904, 15-24-921, 15-24-922, 15-24-925, 15-30-121, 15-31-114,~~  
 22 ~~16-1-404, 16-1-406, 16-1-411, 17-3-221, 17-3-222, 15-16-117, 15-24-303, 15-24-902, 15-24-904,~~  
 23 15-24-921, 15-24-922, 15-24-925, 15-30-121, 15-31-114, 16-1-404, 16-1-406, 16-1-411, 17-7-502,  
 24 ~~19-6-709~~, 19-6-709, 19-7-404, 19-9-209, 19-13-214, 19-18-503, 19-18-504, 19-19-301, ~~20-6-413,~~  
 25 20-7-705, 20-7-714, ~~20-9-141~~, 20-9-141, 20-9-168, ~~20-9-331, 20-9-333, 20-9-501, 20-10-144,~~  
 26 ~~20-10-146~~, 20-9-331, 20-9-333, 20-9-501, 20-10-144, 20-10-146, 20-15-305, 20-15-311, 20-15-326,  
 27 ~~20-25-1002~~, 20-25-1002, 22-1-304, ~~23-2-508, 23-2-510, 23-2-512, 23-2-518, 23-2-611, 23-2-612,~~  
 28 ~~23-2-615, 23-2-616, 23-2-803, 23-2-804, 23-2-811, 23-2-812, 23-2-814, 23-2-817, 23-2-818,~~  
 29 ~~23-5-610, 23-5-612, 25-1-201~~, 23-2-508, 23-2-510, 23-2-512, 23-2-518, 23-2-611, 23-2-612,  
 30 23-2-615, 23-2-616, 23-2-803, 23-2-804, 23-2-811, 23-2-812, 23-2-814, 23-2-818, 23-5-610,

1 25-1-201, 39-71-403, ~~40-4-215, 40-4-226, 41-3-1122, 42-2-105, 40-4-215, 40-4-226, 41-3-1122,~~  
 2 42-2-105, 50-2-111, 50-2-114, ~~52-6-105, 53-2-207, 53-2-301, 53-2-304, 53-2-801, 53-2-612,~~  
 3 53-3-115, 53-3-116, ~~52-6-105, 53-2-207, 53-2-301, 53-2-304, 53-2-612, 53-3-115, 53-3-116,~~  
 4 53-20-208, 53-21-204, ~~61-1-102, 61-3-203, 61-3-321, 61-3-325, 61-3-332, 61-3-406, 61-3-411,~~  
 5 61-3-412, 61-3-422, 61-3-426, 61-3-431, 61-3-453, 61-3-457, 61-3-465, 61-3-509, 61-3-524,  
 6 61-3-527, 61-3-707, 61-3-738, 61-9-312, 61-10-130, 61-10-148, 61-10-225, 67-3-205, 61-1-102,  
 7 61-3-203, 61-3-321, 61-3-325, 61-3-332, 61-3-406, 61-3-411, 61-3-412, 61-3-426, 61-3-431,  
 8 61-3-457, 61-3-465, 61-3-509, 61-3-524, 61-3-527, 61-3-707, 61-3-738, 61-9-312, 61-10-130,  
 9 61-10-148, 61-10-225, 67-3-205, 67-10-402, 67-11-301, 67-11-303, ~~72-16-909, 72-16-912,~~  
 10 75-10-533, ~~72-16-909, 72-16-912, 75-10-533,~~ 76-1-111, 76-1-403, 76-1-404, 76-1-406, 76-2-102,  
 11 76-6-109, ~~76-13-201, 76-13-201,~~ 76-15-505, 76-15-516, 76-15-531, 76-15-623, ~~77-1-502, 77-1-503,~~  
 12 77-1-504, 80-2-201, 80-2-203, 80-2-204, 80-2-205, ~~80-2-206, 80-2-207, 80-2-209, 80-2-221,~~  
 13 80-2-222, 80-2-224, 80-2-225, 80-2-226, 80-2-228, 80-2-229, 80-2-230, ~~80-2-231, 80-2-232,~~  
 14 80-2-244, 80-7-814, 80-7-815, 80-7-816, 80-7-822, 81-6-101, 81-6-104, 81-6-106, 81-6-204,  
 15 81-6-205, 81-6-209, 81-6-210, ~~81-7-104, 81-7-113, 81-7-114, 81-7-118, 81-7-201, 81-7-202,~~  
 16 77-1-502, 77-1-503, 77-1-504, 80-2-201, 80-2-203, 80-2-204, 80-2-205, 80-2-206, 80-2-207,  
 17 80-2-209, 80-2-221, 80-2-222, 80-2-224, 80-2-225, 80-2-226, 80-2-228, 80-2-229, 80-2-230,  
 18 80-2-231, 80-2-232, 80-2-244, 80-7-814, 80-7-815, 80-7-816, 80-7-822, 81-6-101, 81-6-104,  
 19 81-6-106, 81-6-204, 81-6-205, 81-6-209, 81-6-210, 81-7-104, 81-7-113, 81-7-114, 81-7-118,  
 20 81-7-201, 81-7-202, 81-8-503, 81-8-504, 85-3-412, 85-3-422, 85-3-423, AND 90-5-112, MCA,  
 21 SECTION 6, CHAPTER 511, LAWS OF 1993, AND SECTION 9, CHAPTER 476, LAWS OF 1995 AND  
 22 SECTION 5, CHAPTER 95, LAWS OF 2001, AND SECTION 5, CHAPTER 95, LAWS OF 2001; REPEALING  
 23 SECTIONS ~~3-5-404,~~ 7-6-2531, 7-6-2532, 7-6-2533, 7-6-2534, 7-6-2535, 7-6-2536, 7-6-2537,  
 24 7-6-4432, 7-6-4434, 7-6-4436, 7-6-4437, 7-6-4439, 7-6-4452, 7-16-2432, 7-34-2134, 7-34-2135,  
 25 7-34-2136, 15-1-111, 15-1-112, AND 15-7-122, 15-31-701, 15-31-702, 17-3-214, 20-25-1007,  
 26 52-1-110, 53-2-302, 53-2-306, 53-2-322, 53-2-610, 53-2-801, 53-2-802, 53-2-803, 53-2-811,  
 27 53-2-812, 53-2-813, 53-4-246, 53-4-247, 61-3-508, 61-3-510, 61-3-511, 61-3-512, 76-1-405,  
 28 76-1-407, 77-1-501, 77-1-502, 77-1-503, 77-1-504, 77-1-505, 77-1-506, 77-1-507, 80-2-223, AND  
 29 80-7-810, 87-1-603, AND 87-1-604, 15-31-701, 15-31-702, 17-3-214, 20-25-1007, 52-1-110,  
 30 53-2-302, 53-2-306, 53-2-322, 53-2-610, 53-2-801, 53-2-802, 53-2-803, 53-2-811, 53-2-812,

1 53-2-813, 53-4-246, 53-4-247, 61-3-508, 61-3-510, 61-3-511, 61-3-512, 76-1-405, 76-1-407,  
2 77-1-505, 77-1-506, 77-1-507, 80-2-223, AND 80-7-810, MCA, AND SECTIONS 66(2) AND 68(2),  
3 CHAPTER 422, LAWS OF 1997; AND PROVIDING ~~AN~~ EFFECTIVE DATES AND TERMINATION DATES ~~A~~  
4 RETROACTIVE APPLICABILITY DATES AND A RETROACTIVE APPLICABILITY DATE."

5

6 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

7

8 NEW SECTION. Section 1. Entitlement share payment -- APPROPRIATION. (1) ~~For the fiscal year~~  
9 ~~beginning July 1, 2001, the department shall calculate each local government's base component in an~~  
10 ~~amount that is approximately equal to the revenue that the local government would have received from~~  
11 ~~sources other than property taxes prior to the passage of [this act]. The amount calculated pursuant to~~  
12 ~~this subsection is each local government's base entitlement share. THE DEPARTMENT SHALL ESTIMATE EACH~~  
13 ~~LOCAL GOVERNMENT'S BASE COMPONENT FOR THE FISCAL YEAR ENDING JUNE 30, 2001, IN AN AMOUNT EQUAL TO THE~~  
14 ~~REVENUE THAT THE LOCAL GOVERNMENT RECEIVED FROM THE FOLLOWING SOURCES PRIOR TO THE PASSAGE OF [THIS ACT]:~~

15 ~~\_\_\_\_\_ (A) PERSONAL PROPERTY TAX REIMBURSEMENTS PURSUANT TO:~~

16 ~~\_\_\_\_\_ (i) SECTIONS 167(1) THROUGH (5) AND 169(6), CHAPTER 584, LAWS OF 1999;~~

17 ~~\_\_\_\_\_ (ii) 15-1-111; AND~~

18 ~~\_\_\_\_\_ (iii) 15-1-112;~~

19 ~~\_\_\_\_\_ (B) VEHICLE AND BOAT TAXES AND FEES PURSUANT TO: \_\_\_\_\_~~

20 ~~\_\_\_\_\_ (i) TITLE 23, CHAPTER 2, PART 5;~~

21 ~~\_\_\_\_\_ (ii) TITLE 23, CHAPTER 2, PART 6;~~

22 ~~\_\_\_\_\_ (iii) TITLE 23, CHAPTER 2, PART 8;~~

23 ~~\_\_\_\_\_ (iv) 61-3-321;~~

24 ~~\_\_\_\_\_ (v) TITLE 61, CHAPTER 3, PART 5, EXCEPT FOR 61-3-537; AND~~

25 ~~\_\_\_\_\_ (vi) TITLE 61, CHAPTER 3, PART 7;~~

26 ~~\_\_\_\_\_ (C) GAMING REVENUE PURSUANT TO TITLE 23, CHAPTER 5, PART 6, EXCEPT FOR THE PERMIT FEE IN~~  
27 ~~23-5-612(2)(A);~~

28 ~~\_\_\_\_\_ (D) DISTRICT COURT FEES PURSUANT TO:~~

29 ~~\_\_\_\_\_ (i) 25-1-201, EXCEPT THOSE FEES IN 25-1-201(1)(D), (1)(G), AND (1)(J);~~

30 ~~\_\_\_\_\_ (ii) 25-1-202;~~

- 1 ~~\_\_\_\_\_ (iii) 25-1-1103;~~
- 2 ~~\_\_\_\_\_ (iv) 25-9-506;~~
- 3 ~~\_\_\_\_\_ (v) 25-9-804; AND~~
- 4 ~~\_\_\_\_\_ (vi) 27-9-103;~~
- 5 ~~\_\_\_\_\_ (E) CERTIFICATE OF OWNERSHIP FEES FOR MANUFACTURED HOMES PURSUANT TO 15-1-116;~~
- 6 ~~\_\_\_\_\_ (F) FINANCIAL INSTITUTION TAXES PURSUANT TO TITLE 15, CHAPTER 31, PART 7;~~
- 7 ~~\_\_\_\_\_ (G) COAL SEVERANCE TAXES ALLOCATED FOR COUNTY LAND PLANNING PURSUANT TO 15-35-108;~~
- 8 ~~\_\_\_\_\_ (H) ALL BEER, LIQUOR, AND WINE TAXES PURSUANT TO:~~
- 9 ~~\_\_\_\_\_ (i) 16-1-404;~~
- 10 ~~\_\_\_\_\_ (ii) 16-1-406; AND~~
- 11 ~~\_\_\_\_\_ (iii) 16-1-411;~~
- 12 ~~\_\_\_\_\_ (i) LATE FILING FEES PURSUANT TO 61-3-201;~~
- 13 ~~\_\_\_\_\_ (J) TITLE AND REGISTRATION FEES PURSUANT TO 61-3-203;~~
- 14 ~~\_\_\_\_\_ (K) DISABLED VETERANS FLAT LICENSE PLATE FEES AND PURPLE HEART LICENSE PLATE FEES PURSUANT TO~~
- 15 ~~61-3-332;~~
- 16 ~~\_\_\_\_\_ (L) COUNTY PERSONALIZED LICENSE PLATE FEES PURSUANT TO 61-3-406; \_\_\_\_\_~~
- 17 ~~\_\_\_\_\_ (M) SPECIAL MOBILE EQUIPMENT FEES PURSUANT TO 61-3-431;~~
- 18 ~~\_\_\_\_\_ (N) SINGLE MOVEMENT PERMIT FEES PURSUANT TO 61-4-310;~~
- 19 ~~\_\_\_\_\_ (O) STATE AERONAUTICS FEES PURSUANT TO 67-3-101; AND~~
- 20 ~~\_\_\_\_\_ (P) DEPARTMENT OF NATURAL RESOURCES AND CONSERVATION PAYMENTS IN LIEU OF TAXES PURSUANT TO TITLE~~
- 21 ~~77, CHAPTER 1, PART 5;~~
- 22 ~~\_\_\_\_\_ (2) In each succeeding fiscal year, growth in the entitlement share is allocated to each local~~
- 23 ~~government in order to account for inflation. If there is additional revenue available, it is allocated among~~
- 24 ~~the counties and cities based on population. The department shall calculate the allocation as follows:~~
- 25 ~~\_\_\_\_\_ (a) calculate each local government's new entitlement share base component by adjusting its~~
- 26 ~~previous entitlement for inflation;~~
- 27 ~~\_\_\_\_\_ (b) add all of the new base components determined under subsection (2)(a) together and compare~~
- 28 ~~the total to the new entitlement share pool; and~~
- 29 ~~\_\_\_\_\_ (c) (i) if the new entitlement share pool is greater than the sum of the new base components, the~~
- 30 ~~department shall allocate the difference to local governments in proportion to their population, which for~~

1 ~~counties excludes the population of incorporated cities or towns within the county; or~~  
2 ~~—— (ii) if the new entitlement share pool is less than the sum of the new base components, each local~~  
3 ~~government receives the same share of the entitlement share pool as it did the previous year.~~  
4 ~~—— (2) THE DEPARTMENT SHALL DEDUCT FROM THE COUNTY GOVERNMENT THE AMOUNT CALCULATED PURSUANT~~  
5 ~~TO SUBSECTION (1), THE FISCAL YEAR 2001 INCREASED COSTS FOR THE STATE ASSUMPTION OF DISTRICT COURT~~  
6 ~~EXPENSES PROVIDED FOR IN 3-5-901 AND THE INCREASED STATE COSTS FOR THE ASSUMPTION OF PUBLIC ASSISTANCE.~~  
7 ~~—— (3) (A) BY JULY 1 OF EACH YEAR OCTOBER 1 PRECEDING A REGULARLY SCHEDULED LEGISLATIVE SESSION, THE~~  
8 ~~DEPARTMENT SHALL CALCULATE THE GROWTH RATE OF THE ENTITLEMENT SHARE POOL FOR EACH YEAR OF THE NEXT~~  
9 ~~BIENNIUM IN THE FOLLOWING MANNER:~~  
10 ~~—— (i) THE DEPARTMENT SHALL CALCULATE THE AVERAGE ANNUAL GROWTH RATE OF MONTANA GROSS STATE~~  
11 ~~PRODUCT, AS PUBLISHED BY THE BUREAU OF ECONOMIC ANALYSIS OF THE UNITED STATES DEPARTMENT OF COMMERCE,~~  
12 ~~FOR THE FOLLOWING PERIODS:~~  
13 ~~—— (A) THE LAST 4 CALENDAR YEARS FOR WHICH THE INFORMATION HAS BEEN PUBLISHED; AND~~  
14 ~~—— (B) THE 4 CALENDAR YEARS BEGINNING WITH THE YEAR BEFORE THE FIRST YEAR IN THE PERIOD IN SUBSECTION~~  
15 ~~(3)(A)(i)(A).~~  
16 ~~—— (ii) THE DEPARTMENT SHALL CALCULATE THE AVERAGE ANNUAL GROWTH RATE OF MONTANA PERSONAL INCOME,~~  
17 ~~AS PUBLISHED BY THE BUREAU OF ECONOMIC ANALYSIS OF THE UNITED STATES DEPARTMENT OF COMMERCE, FOR THE~~  
18 ~~FOLLOWING PERIODS:~~  
19 ~~—— (A) THE LAST 4 CALENDAR YEARS FOR WHICH THE INFORMATION HAS BEEN PUBLISHED; AND~~  
20 ~~—— (B) THE 4 CALENDAR YEARS BEGINNING WITH THE YEAR BEFORE THE FIRST YEAR IN THE PERIOD IN SUBSECTION~~  
21 ~~(3)(A)(ii)(A).~~  
22 ~~—— (b) (i) FOR FISCAL YEARS 2002 THROUGH 2005, THE ENTITLEMENT SHARE POOL GROWTH RATE FOR THE FIRST~~  
23 ~~YEAR OF THE BIENNIUM MUST BE 70% OF THE AVERAGE OF THE GROWTH RATES CALCULATED IN SUBSECTIONS (3)(A)(i)(B)~~  
24 ~~AND (3)(A)(ii)(B).~~  
25 ~~—— (ii) THE ENTITLEMENT SHARE POOL GROWTH RATE FOR THE SECOND YEAR OF THE BIENNIUM MUST BE 70% OF~~  
26 ~~THE AVERAGE OF THE GROWTH RATES CALCULATED IN SUBSECTIONS (3)(A)(i)(A) AND (3)(A)(ii)(A).~~  
27 ~~—— (c) (i) FOR FISCAL YEAR 2006 AND SUBSEQUENT FISCAL YEARS, THE ENTITLEMENT SHARE POOL GROWTH RATE~~  
28 ~~FOR THE FIRST YEAR OF THE BIENNIUM MUST BE 54% OF THE AVERAGE OF THE GROWTH RATES CALCULATED IN~~  
29 ~~SUBSECTIONS (3)(A)(i)(B) AND (3)(A)(ii)(B). FOR FISCAL YEARS 2006 AND 2007, THE DEPARTMENT SHALL INCLUDE ANY~~  
30 ~~EXCESS REVENUE RECEIVED FROM THE SOURCES LISTED IN SUBSECTION (1) IN CALCULATING THE GROWTH IN THE~~

1 ~~ENTITLEMENT SHARE POOL. FOR PURPOSES OF THIS SUBSECTION (3), "EXCESS REVENUE" MEANS AN AMOUNT BY WHICH~~  
2 ~~COLLECTIONS EXCEED ENTITLEMENT SHARE PAYMENTS PLUS THE GROWTH FACTOR PROVIDED FOR IN THIS SUBSECTION (3).~~  
3 ~~(ii) THE ENTITLEMENT SHARE POOL GROWTH RATE FOR THE SECOND YEAR OF THE BIENNIUM MUST BE 54% OF~~  
4 ~~THE AVERAGE OF THE GROWTH RATES CALCULATED IN SUBSECTIONS (3)(A)(i)(A) AND (3)(A)(ii)(A). THE AMOUNT OF~~  
5 ~~EACH LOCAL GOVERNMENT'S ENTITLEMENT SHARE IS THE AMOUNT RECEIVED PURSUANT TO SECTION 167, CHAPTER 584,~~  
6 ~~LAWS OF 1999. THE DEPARTMENT SHALL ESTIMATE THE TOTAL AMOUNT OF REVENUE THAT EACH LOCAL GOVERNMENT~~  
7 ~~RECEIVED FROM THE FOLLOWING SOURCES FOR THE FISCAL YEAR ENDING JUNE 30, 2001:~~  
8 ~~(A) PERSONAL PROPERTY TAX REIMBURSEMENTS PURSUANT TO SECTIONS 167(1) THROUGH (5) AND 169(6),~~  
9 ~~CHAPTER 584, LAWS OF 1999;~~  
10 ~~(B) VEHICLE AND BOAT TAXES AND FEES PURSUANT TO:~~  
11 ~~(i) TITLE 23, CHAPTER 2, PART 5;~~  
12 ~~(ii) TITLE 23, CHAPTER 2, PART 6;~~  
13 ~~(iii) TITLE 23, CHAPTER 2, PART 8;~~  
14 ~~(iv) 61-3-321;~~  
15 ~~(v) TITLE 61, CHAPTER 3, PART 5, EXCEPT FOR 61-3-509(3), AS THAT SUBSECTION READ PRIOR TO THE~~  
16 ~~AMENDMENT OF 61-3-509 IN 2001, AND 61-3-537; AND~~  
17 ~~(vi) TITLE 61, CHAPTER 3, PART 7;~~  
18 ~~(C) GAMING REVENUE PURSUANT TO TITLE 23, CHAPTER 5, PART 6, EXCEPT FOR THE PERMIT FEE IN~~  
19 ~~23-5-612(2)(A);~~  
20 ~~(D) DISTRICT COURT FEES PURSUANT TO:~~  
21 ~~(i) 25-1-201, EXCEPT THOSE FEES IN 25-1-201(1)(D), (1)(G), AND (1)(J);~~  
22 ~~(ii) 25-1-202;~~  
23 ~~(iii) 25-1-1103;~~  
24 ~~(iv) 25-9-506;~~  
25 ~~(v) 25-9-804; AND~~  
26 ~~(vi) 27-9-103;~~  
27 ~~(E) CERTIFICATE OF OWNERSHIP FEES FOR MANUFACTURED HOMES PURSUANT TO 15-1-116;~~  
28 ~~(F) FINANCIAL INSTITUTION TAXES PURSUANT TO TITLE 15, CHAPTER 31, PART 7;~~  
29 ~~(G) COAL SEVERANCE TAXES ALLOCATED FOR COUNTY LAND PLANNING PURSUANT TO 15-35-108;~~  
30 ~~(H) ALL BEER, LIQUOR, AND WINE TAXES PURSUANT TO:~~

1 (i) 16-1-404;  
2 (ii) 16-1-406; AND  
3 (iii) 16-1-411;  
4 (i) LATE FILING FEES PURSUANT TO 61-3-201;  
5 (j) TITLE AND REGISTRATION FEES PURSUANT TO 61-3-203;  
6 (k) DISABLED VETERANS' FLAT LICENSE PLATE FEES AND PURPLE HEART LICENSE PLATE FEES PURSUANT TO  
7 61-3-332;  
8 (l) COUNTY PERSONALIZED LICENSE PLATE FEES PURSUANT TO 61-3-406;  
9 (m) SPECIAL MOBILE EQUIPMENT FEES PURSUANT TO 61-3-431;  
10 (n) SINGLE MOVEMENT PERMIT FEES PURSUANT TO 61-4-310;  
11 (o) STATE AERONAUTICS FEES PURSUANT TO 67-3-101; AND  
12 (p) DEPARTMENT OF NATURAL RESOURCES AND CONSERVATION PAYMENTS IN LIEU OF TAXES PURSUANT TO TITLE  
13 77, CHAPTER 1, PART 5.  
14 (2) (A) FROM THE AMOUNTS ESTIMATED IN SUBSECTION (1) FOR EACH COUNTY GOVERNMENT, THE DEPARTMENT  
15 SHALL DEDUCT FISCAL YEAR 2001 COUNTY GOVERNMENT EXPENDITURES FOR DISTRICT COURTS, LESS REIMBURSEMENTS  
16 FOR DISTRICT COURT EXPENSES, AND FISCAL YEAR 2001 COUNTY GOVERNMENT EXPENDITURES FOR PUBLIC WELFARE  
17 PROGRAMS TO BE ASSUMED BY THE STATE IN FISCAL YEAR 2002.  
18 (B) THE AMOUNT ESTIMATED PURSUANT TO SUBSECTIONS (1) AND (2)(A) IS EACH LOCAL GOVERNMENT'S BASE  
19 YEAR COMPONENT. THE SUM OF ALL LOCAL GOVERNMENTS' BASE YEAR COMPONENTS IS THE BASE YEAR ENTITLEMENT  
20 SHARE POOL.  
21 (3) (A) BEGINNING WITH FISCAL YEAR 2002 AND IN EACH SUCCEEDING FISCAL YEAR, THE BASE YEAR  
22 ENTITLEMENT SHARE POOL MUST BE INCREASED ANNUALLY BY A GROWTH RATE AS PROVIDED FOR IN THIS SUBSECTION (3).  
23 THE AMOUNT DETERMINED THROUGH THE APPLICATION OF ANNUAL GROWTH RATES IS THE ENTITLEMENT SHARE POOL FOR  
24 EACH FISCAL YEAR. FOR FISCAL YEARS 2002 AND 2003, THE GROWTH RATE IS 3%. BEGINNING WITH CALENDAR YEAR  
25 2004, BY OCTOBER 1 OF EACH EVEN-NUMBERED YEAR, THE DEPARTMENT SHALL CALCULATE THE GROWTH RATE OF THE  
26 ENTITLEMENT SHARE POOL FOR EACH YEAR OF THE NEXT BIENNIUM IN THE FOLLOWING MANNER:  
27 (i) THE DEPARTMENT SHALL CALCULATE THE AVERAGE ANNUAL GROWTH RATE OF THE MONTANA GROSS STATE  
28 PRODUCT, AS PUBLISHED BY THE BUREAU OF ECONOMIC ANALYSIS OF THE UNITED STATES DEPARTMENT OF COMMERCE,  
29 FOR THE FOLLOWING PERIODS:  
30 (A) THE LAST 4 CALENDAR YEARS FOR WHICH THE INFORMATION HAS BEEN PUBLISHED; AND



(B) THE 4 CALENDAR YEARS BEGINNING WITH THE YEAR BEFORE THE FIRST YEAR IN THE PERIOD REFERRED TO IN SUBSECTION (3)(A)(i)(A).

(ii) THE DEPARTMENT SHALL CALCULATE THE AVERAGE ANNUAL GROWTH RATE OF MONTANA PERSONAL INCOME, AS PUBLISHED BY THE BUREAU OF ECONOMIC ANALYSIS OF THE UNITED STATES DEPARTMENT OF COMMERCE, FOR THE FOLLOWING PERIODS:

(A) THE LAST 4 CALENDAR YEARS FOR WHICH THE INFORMATION HAS BEEN PUBLISHED; AND

(B) THE 4 CALENDAR YEARS BEGINNING WITH THE YEAR BEFORE THE FIRST YEAR IN THE PERIOD REFERRED TO IN SUBSECTION (3)(A)(ii)(A).

(B) (i) FOR FISCAL YEAR 2004 AND SUBSEQUENT FISCAL YEARS, THE ENTITLEMENT SHARE POOL GROWTH RATE FOR THE FIRST YEAR OF THE BIENNIUM MUST BE THE FOLLOWING PERCENTAGE OF THE AVERAGE OF THE GROWTH RATES CALCULATED IN SUBSECTIONS (3)(A)(i)(B) AND (3)(A)(ii)(B):

(A) FOR COUNTIES, 54%;

(B) FOR CONSOLIDATED LOCAL GOVERNMENTS, 62%; AND

(C) FOR INCORPORATED CITIES AND TOWNS, 70%.

(ii) THE ENTITLEMENT SHARE POOL GROWTH RATE FOR THE SECOND YEAR OF THE BIENNIUM MUST BE THE FOLLOWING PERCENTAGE OF THE AVERAGE OF THE GROWTH RATES CALCULATED IN SUBSECTIONS (3)(A)(i)(A) AND (3)(A)(ii)(A):

(A) FOR COUNTIES, 54%;

(B) FOR CONSOLIDATED LOCAL GOVERNMENTS, 62%; AND

(C) FOR INCORPORATED CITIES AND TOWNS, 70%.

~~(3)(4)(2)(4)~~ As used in this section, "local government" means a county, a consolidated local government, an incorporated city, ~~and~~ AND an incorporated town, ~~A SCHOOL DISTRICT, A MISCELLANEOUS DISTRICT, OR ANY OTHER LOCAL DISTRICT THAT LEVIES MILLS. A LOCAL GOVERNMENT DOES NOT INCLUDE A TAX INCREMENT FINANCING DISTRICT PROVIDED FOR IN SUBSECTION (6). A LOCAL GOVERNMENT RECEIVING AN ENTITLEMENT SHARE SHALL TAKE INTO ACCOUNT REVENUE RECEIVED ON BEHALF OF A SPECIAL DISTRICT. FOR PURPOSES OF CALCULATING THE ENTITLEMENT SHARE FOR A LOCAL GOVERNMENT, THE DEPARTMENT SHALL INCLUDE ALL SPECIAL DISTRICTS WITHIN THE LOCAL GOVERNMENT. THE LOCAL GOVERNMENT IS RESPONSIBLE FOR ALLOCATING ENTITLEMENT SHARE PROCEEDS TO THE SPECIAL DISTRICTS WITHIN THE LOCAL GOVERNMENT. THE TERM DOES NOT INCLUDE THE STATE. A LOCAL GOVERNMENT DOES NOT INCLUDE A TAX INCREMENT FINANCING DISTRICT PROVIDED FOR IN SUBSECTION (6).~~ FOR PURPOSES OF CALCULATING THE BASE YEAR COMPONENT FOR A COUNTY OR CONSOLIDATED LOCAL GOVERNMENT,

THE DEPARTMENT SHALL INCLUDE THE REVENUE LISTED IN SUBSECTION (1) FOR ALL SPECIAL DISTRICTS WITHIN THE COUNTY OR CONSOLIDATED LOCAL GOVERNMENT. THE COUNTY OR CONSOLIDATED LOCAL GOVERNMENT IS RESPONSIBLE FOR MAKING AN ALLOCATION FROM THE COUNTY'S OR CONSOLIDATED LOCAL GOVERNMENT'S SHARE OF THE ENTITLEMENT SHARE POOL TO EACH SPECIAL DISTRICT WITHIN THE COUNTY OR CONSOLIDATED LOCAL GOVERNMENT IN A MANNER THAT REASONABLY REFLECTS EACH SPECIAL DISTRICT'S LOSS OF REVENUE SOURCES LISTED IN SUBSECTION (1).

~~(4)(5)(3)(5) (A)(A) The local government entitlements ENTITLEMENT SHARE POOLS calculated in this section AND THE BLOCK GRANTS PROVIDED FOR IN SUBSECTION (6) AND THE BLOCK GRANTS PROVIDED FOR IN SUBSECTION (6) are statutorily appropriated, as provided in 17-7-502, from the general fund to the department for distribution to local governments. EACH LOCAL GOVERNMENT IS ENTITLED TO A PRO RATA SHARE OF EACH YEAR'S ENTITLEMENT SHARE POOL BASED ON THE LOCAL GOVERNMENT'S BASE COMPONENT IN RELATION TO THE BASE YEAR ENTITLEMENT SHARE POOL. THE DISTRIBUTIONS MUST BE MADE ON A QUARTERLY BASIS BEGINNING SEPTEMBER 15, 2001. FOR THE FISCAL YEAR BEGINNING JULY 1, 2001, THE DEPARTMENT MAY NOT INCLUDE A FINANCIAL INSTITUTION TAX REIMBURSEMENT IN THE ENTITLEMENT SHARE FOR A LOCAL GOVERNMENT OR SCHOOL DISTRICT UNLESS THE LOCAL GOVERNMENT OR SCHOOL DISTRICT ACCRUED THE REVENUE FROM THAT TAX IN FISCAL YEAR 2000.~~

~~\_\_\_\_\_ (B) (i) THE AMOUNT OF MONEY REPRESENTING THE GROWTH FACTOR IN THE ENTITLEMENT SHARE MUST BE CALCULATED SEPARATELY FOR:~~

~~\_\_\_\_\_ (A) COUNTIES AND CONSOLIDATED LOCAL GOVERNMENTS; AND~~

~~\_\_\_\_\_ (B) INCORPORATED CITIES AND TOWNS.~~

~~\_\_\_\_\_ (ii) THE AMOUNT OF MONEY REPRESENTING THE GROWTH FACTOR IN THE ENTITLEMENT SHARE FOR COUNTIES AND CONSOLIDATED LOCAL GOVERNMENTS IS ALLOCATED AS FOLLOWS:~~

~~\_\_\_\_\_ (A) 50% OF THE GROWTH FACTOR MUST BE ALLOCATED TO COUNTIES AND CONSOLIDATED LOCAL GOVERNMENTS BASED UPON EACH COUNTY'S OR CONSOLIDATED LOCAL GOVERNMENT'S PERCENTAGE OF THE ENTIRE ENTITLEMENT SHARE IN THE BASE YEAR FOR ALL COUNTIES AND CONSOLIDATED LOCAL GOVERNMENTS; AND~~

~~\_\_\_\_\_ (B) 50% OF THE GROWTH FACTOR MUST BE ALLOCATED TO EACH COUNTY OR CONSOLIDATED LOCAL GOVERNMENT BASED UPON THE PERCENTAGE THAT EACH COUNTY'S OR CONSOLIDATED LOCAL GOVERNMENT'S POPULATION BEARS TO THE STATE POPULATION AS DETERMINED BY THE LATEST OFFICIAL DECENNIAL CENSUS OR THE LATEST INTERIM YEAR POPULATION ESTIMATES FROM THE MONTANA DEPARTMENT OF COMMERCE AS SUPPLIED BY THE UNITED STATES BUREAU OF THE CENSUS.~~

~~\_\_\_\_\_ (iii) THE AMOUNT OF MONEY REPRESENTING THE GROWTH FACTOR IN THE ENTITLEMENT SHARE FOR INCORPORATED CITIES AND TOWNS MUST BE ALLOCATED AS FOLLOWS:~~

~~1 (A) 50% OF THE GROWTH FACTOR MUST BE ALLOCATED TO INCORPORATED CITIES AND TOWNS BASED UPON~~  
~~2 EACH CITY'S OR TOWN'S PERCENTAGE OF THE ENTIRE ENTITLEMENT SHARE IN THE BASE YEAR FOR ALL INCORPORATED~~  
~~3 CITIES AND TOWNS; AND~~

~~4 (B) 50% OF THE GROWTH FACTOR MUST BE ALLOCATED TO EACH INCORPORATED CITY OR TOWN BASED UPON~~  
~~5 THE PERCENTAGE THAT EACH CITY'S OR TOWN'S POPULATION BEARS TO THE PERCENTAGE OF THE STATE'S POPULATION~~  
~~6 RESIDING WITHIN INCORPORATED CITIES AND TOWNS AS DETERMINED BY THE LATEST OFFICIAL DECENNIAL CENSUS OR THE~~  
~~7 LATEST INTERIM YEAR POPULATION ESTIMATES FROM THE MONTANA DEPARTMENT OF COMMERCE AS SUPPLIED BY THE~~  
~~8 UNITED STATES BUREAU OF THE CENSUS.~~

~~9 (5)(6) (a) If a tax increment financing district was not in existence during the fiscal year ending~~  
~~10 June 30, 2000, or if the tax increment financing district REFERRED TO IN SUBSECTION (6)(B) terminates, then~~  
~~11 the department may not include the increment in the entitlement share for the local government in which~~  
~~12 the tax increment financing district is located BLOCK GRANT PROVIDED FOR IN SUBSECTION (6)(B) TERMINATES.~~

~~13 (b) ONE HALF OF THE PAYMENTS PROVIDED FOR IN THIS SUBSECTION (6)(B) MUST BE MADE BY NOVEMBER 30~~  
~~14 AND THE OTHER HALF BY MAY 31 OF EACH YEAR. Subject to subsection (5)(a) (6)(A), the entitlement share for~~  
~~15 tax increment financing districts located in a local government is as follows:~~

16	Cascade	Great Falls - downtown	\$500,033
17	Cascade	Great Falls - Pasta Montana	7,546
18	Deer Lodge	TIF District 1	3,148
19	Deer Lodge	TIF District 2	3,126
20	Flathead	Kalispell - District 1	914,815
21	Flathead	Kalispell - District 2	5,153
22	Flathead	Kalispell - District 3	41,368
23	Flathead	Whitefish District	244,346
24	Gallatin	Bozeman - downtown	34,620
25	Lewis and Clark	Helena - #2	781,870
26	Missoula	Missoula - 1-1B & 1-1C	1,238,878
27	Missoula	Missoula - 4-1C	38,566
28	Missoula	Airport - 20-3A	828
29	Silver Bow	Butte - uptown	340,197
30	Silver Bow	Ramsey	10,580

1 Yellowstone \_\_\_\_\_ Billings \_\_\_\_\_ 610,977

2 ~~\_\_\_\_\_ (c) THE ENTITLEMENT SHARE FOR INDUSTRIAL TAX INCREMENT FINANCING DISTRICTS IS AS FOLLOWS:~~

3 ~~\_\_\_\_\_ (i) FOR FISCAL YEARS 2002 AND 2003:~~

4 MISSOULA \_\_\_\_\_ COUNTY AIRPORT INDUSTRIAL \_\_\_\_\_ \$4,812

5 SILVER BOW \_\_\_\_\_ RAMSAY INDUSTRIAL \_\_\_\_\_ 1,195,188 597,594;

6 ~~\_\_\_\_\_ (ii) FOR FISCAL YEARS 2004 AND 2005:~~

7 MISSOULA \_\_\_\_\_ COUNTY AIRPORT INDUSTRIAL \_\_\_\_\_ \$2,406

8 SILVER BOW \_\_\_\_\_ RAMSAY INDUSTRIAL \_\_\_\_\_ 597,594 298,797; AND

9 ~~\_\_\_\_\_ (iii) \$0 FOR ALL SUCCEEDING FISCAL YEARS:~~

10 ~~\_\_\_\_\_ (d) THE ENTITLEMENT SHARE FOR INDUSTRIAL TAX INCREMENT FINANCING DISTRICTS REFERRED TO IN SUBSECTION~~

11 ~~(6)(c) MAY NOT BE USED TO PAY DEBT SERVICE ON TAX INCREMENT BONDS TO THE EXTENT THAT THE BONDS ARE SECURED~~

12 ~~BY A GUARANTY, A LETTER OF CREDIT, OR A SIMILAR ARRANGEMENT PROVIDED BY OR ON BEHALF OF AN OWNER OF~~

13 ~~PROPERTY WITHIN THE TAX INCREMENT FINANCING INDUSTRIAL DISTRICT.~~

14 ~~\_\_\_\_\_ (e) ONE HALF OF THE PAYMENTS PROVIDED FOR IN SUBSECTION (6)(c) MUST BE MADE BY JULY 30, AND THE~~

15 ~~OTHER HALF MUST BE MADE IN DECEMBER OF EACH YEAR.~~

16 ~~\_\_\_\_\_ (7) THE ESTIMATED ENTITLEMENT SHARE BASE FOR LOCAL GOVERNMENTS DOES NOT INCLUDE REVENUE RECEIVED~~

17 ~~FROM COUNTYWIDE TRANSPORTATION BLOCK GRANTS OR FROM COUNTYWIDE RETIREMENT BLOCK GRANTS.~~

18 ~~\_\_\_\_\_ (8) THE ESTIMATES FOR THE ENTITLEMENT SHARE BASE IN SUBSECTION (1) MUST BE CALCULATED AS IF THE FEES~~

19 ~~IN CHAPTER 515, LAWS OF 1999, WERE IN EFFECT FOR ALL OF FISCAL YEAR 2001.~~

20 ~~\_\_\_\_\_ (9) (A) IF REVENUE THAT IS INCLUDED IN THE ENTITLEMENT SHARE UNDER SUBSECTIONS (1)(b) THROUGH (1)(p)~~

21 ~~IS SIGNIFICANTLY REDUCED, EXCEPT THROUGH LEGISLATIVE ACTION, THE DEPARTMENT SHALL DEDUCT THE AMOUNT OF~~

22 ~~REVENUE LOSS FROM THE ENTITLEMENT SHARE BEGINNING IN THE SUCCEEDING FISCAL YEAR AND THE DEPARTMENT SHALL~~

23 ~~WORK WITH LOCAL GOVERNMENTS TO PROPOSE LEGISLATION TO ADJUST THE ENTITLEMENT SHARE TO REFLECT AN~~

24 ~~ALLOCATION OF THE LOSS OF REVENUE.~~

25 ~~\_\_\_\_\_ (b) FOR THE PURPOSES OF SUBSECTION (9)(A), A SIGNIFICANT REDUCTION IS A LOSS THAT CAUSES THE AMOUNT~~

26 ~~OF REVENUE RECEIVED IN THE CURRENT YEAR TO BE LESS THAN 95% OF THE AMOUNT OF REVENUE RECEIVED IN THE BASE~~

27 ~~YEAR.~~

28 ~~\_\_\_\_\_ (10) A THREE-FIFTHS VOTE OF EACH HOUSE IS REQUIRED TO REDUCE THE AMOUNT OF THE ENTITLEMENT SHARE~~

29 ~~CALCULATED PURSUANT TO SUBSECTIONS (1) THROUGH (3).~~

30 ~~\_\_\_\_\_ (11) THE DEPARTMENT SHALL ADOPT RULES IMPLEMENTING THIS SECTION. THE RULES MUST PROVIDE FOR A~~

~~PROCEDURE FOR A LOCAL GOVERNMENT TO APPEAL THE DEPARTMENT'S DETERMINATION OF THE AMOUNT OF BASE COMPONENT, THE ENTITLEMENT SHARE POOL GROWTH RATE, AND A LOCAL GOVERNMENT'S ALLOCATION OF THE ENTITLEMENT SHARE. THE RULES MUST PROVIDE FOR APPEALS TO THE STATE TAX APPEAL BOARD PURSUANT TO 15-2-302(1)(b). THE JUDICIAL REVIEW PROVISIONS OF 15-2-303 APPLY TO THE STATE TAX APPEAL BOARD'S DECISION.~~

(B) (i) FOR FISCAL YEAR 2002, THE GROWTH AMOUNT IS THE DIFFERENCE BETWEEN THE FISCAL YEAR 2002 ENTITLEMENT SHARE POOL AND THE BASE YEAR ENTITLEMENT SHARE POOL. FOR FISCAL YEAR 2003 AND EACH SUCCEEDING FISCAL YEAR, THE GROWTH AMOUNT IS THE DIFFERENCE BETWEEN THE ENTITLEMENT SHARE POOL IN THE CURRENT FISCAL YEAR AND THE ENTITLEMENT SHARE POOL IN THE PREVIOUS FISCAL YEAR. THE GROWTH FACTOR IN THE ENTITLEMENT SHARE MUST BE CALCULATED SEPARATELY FOR:

(A) COUNTIES;

(B) CONSOLIDATED LOCAL GOVERNMENTS; AND

(C) INCORPORATED CITIES AND TOWNS.

(ii) IN EACH FISCAL YEAR, THE GROWTH AMOUNT FOR COUNTIES MUST BE ALLOCATED AS FOLLOWS:

(A) 50% OF THE GROWTH AMOUNT MUST BE ALLOCATED BASED UPON EACH COUNTY'S PERCENTAGE OF THE BASE YEAR ENTITLEMENT SHARE POOL FOR ALL COUNTIES; AND

(B) 50% OF THE GROWTH AMOUNT MUST BE ALLOCATED BASED UPON THE PERCENTAGE THAT EACH COUNTY'S POPULATION BEARS TO THE STATE POPULATION NOT RESIDING WITHIN CONSOLIDATED LOCAL GOVERNMENTS AS DETERMINED BY THE LATEST INTERIM YEAR POPULATION ESTIMATES FROM THE MONTANA DEPARTMENT OF COMMERCE AS SUPPLIED BY THE UNITED STATES BUREAU OF THE CENSUS.

(iii) IN EACH FISCAL YEAR, THE GROWTH AMOUNT FOR CONSOLIDATED LOCAL GOVERNMENTS MUST BE ALLOCATED AS FOLLOWS:

(A) 50% OF THE GROWTH AMOUNT MUST BE ALLOCATED BASED UPON EACH CONSOLIDATED LOCAL GOVERNMENT'S PERCENTAGE OF THE BASE YEAR ENTITLEMENT SHARE POOL FOR ALL CONSOLIDATED LOCAL GOVERNMENTS; AND

(B) 50% OF THE GROWTH AMOUNT MUST BE ALLOCATED BASED UPON THE PERCENTAGE THAT EACH CONSOLIDATED LOCAL GOVERNMENT'S POPULATION BEARS TO THE STATE'S TOTAL POPULATION RESIDING WITHIN CONSOLIDATED LOCAL GOVERNMENTS AS DETERMINED BY THE LATEST INTERIM YEAR POPULATION ESTIMATES FROM THE MONTANA DEPARTMENT OF COMMERCE AS SUPPLIED BY THE UNITED STATES BUREAU OF THE CENSUS.

(iv) IN EACH FISCAL YEAR, THE GROWTH AMOUNT FOR INCORPORATED CITIES AND TOWNS MUST BE ALLOCATED AS FOLLOWS:

(A) 50% OF THE GROWTH AMOUNT MUST BE ALLOCATED BASED UPON EACH INCORPORATED CITY'S OR TOWN'S PERCENTAGE OF THE BASE YEAR ENTITLEMENT SHARE POOL FOR ALL INCORPORATED CITIES AND TOWNS; AND

(B) 50% OF THE GROWTH AMOUNT MUST BE ALLOCATED BASED UPON THE PERCENTAGE THAT EACH CITY'S OR TOWN'S POPULATION BEARS TO THE STATE'S TOTAL POPULATION RESIDING WITHIN INCORPORATED CITIES AND TOWNS AS DETERMINED BY THE LATEST INTERIM YEAR POPULATION ESTIMATES FROM THE MONTANA DEPARTMENT OF COMMERCE AS SUPPLIED BY THE UNITED STATES BUREAU OF THE CENSUS.

(V) IN EACH FISCAL YEAR, THE AMOUNT OF THE ENTITLEMENT SHARE POOL NOT REPRESENTED BY THE GROWTH AMOUNT IS DISTRIBUTED TO EACH LOCAL GOVERNMENT IN THE SAME MANNER AS THE ENTITLEMENT SHARE POOL WAS DISTRIBUTED IN THE PRIOR FISCAL YEAR.

(vi) FOR FISCAL YEAR 2002, AN AMOUNT EQUAL TO THE DISTRICT COURT COSTS IDENTIFIED IN SUBSECTION (2) MUST BE ADDED TO EACH COUNTY GOVERNMENT'S DISTRIBUTION FROM THE ENTITLEMENT SHARE POOL.

(6) (A) IF A TAX INCREMENT FINANCING DISTRICT WAS NOT IN EXISTENCE DURING THE FISCAL YEAR ENDING JUNE 30, 2000, THEN THE TAX INCREMENT FINANCING DISTRICT IS NOT ENTITLED TO ANY BLOCK GRANT. IF A TAX INCREMENT FINANCING DISTRICT REFERRED TO IN SUBSECTION (6)(B) TERMINATES, THEN THE BLOCK GRANT PROVIDED FOR IN SUBSECTION (6)(B) TERMINATES.

(B) ONE-HALF OF THE PAYMENTS PROVIDED FOR IN THIS SUBSECTION (6)(B) MUST BE MADE BY NOVEMBER 30 AND THE OTHER HALF BY MAY 31 OF EACH YEAR. SUBJECT TO SUBSECTION (6)(A), THE ENTITLEMENT SHARE FOR TAX INCREMENT FINANCING DISTRICTS IS AS FOLLOWS:

CASCADE	GREAT FALLS - DOWNTOWN	\$500,033
CASCADE	GREAT FALLS - PASTA MONTANA	7,546
DEER LODGE	TIF DISTRICT 1	3,148
DEER LODGE	TIF DISTRICT 2	3,126
FLATHEAD	KALISPELL - DISTRICT 1	914,815
FLATHEAD	KALISPELL - DISTRICT 2	5,153
FLATHEAD	KALISPELL - DISTRICT 3	41,368
FLATHEAD	WHITEFISH DISTRICT	244,346
GALLATIN	BOZEMAN - DOWNTOWN	34,620
LEWIS AND CLARK	HELENA - #2	781,870
MISSOULA	MISSOULA - 1-1B & 1-1C	1,238,878
MISSOULA	MISSOULA - 4-1C	38,566

1	<u>MISSOULA</u>	<u>AIRPORT - 20-3A</u>	<u>828</u>
2	<u>SILVER BOW</u>	<u>BUTTE - UPTOWN</u>	<u>340,197</u>
3	<u>SILVER BOW</u>	<u>RAMSAY</u>	<u>10,580</u>
4	<u>YELLOWSTONE</u>	<u>BILLINGS</u>	<u>610,977</u>
5	<u>CASCADE</u>	<u>GREAT FALLS - DOWNTOWN</u>	<u>\$468,966</u>
6	<u>DEER LODGE</u>	<u>TIF DISTRICT 1</u>	<u>3,148</u>
7	<u>DEER LODGE</u>	<u>TIF DISTRICT 2</u>	<u>3,126</u>
8	<u>FLATHEAD</u>	<u>KALISPELL - DISTRICT 1</u>	<u>758,359</u>
9	<u>FLATHEAD</u>	<u>KALISPELL - DISTRICT 2</u>	<u>5,153</u>
10	<u>FLATHEAD</u>	<u>KALISPELL - DISTRICT 3</u>	<u>41,368</u>
11	<u>FLATHEAD</u>	<u>WHITEFISH DISTRICT</u>	<u>164,660</u>
12	<u>GALLATIN</u>	<u>BOZEMAN - DOWNTOWN</u>	<u>34,620</u>
13	<u>LEWIS AND CLARK</u>	<u>HELENA - # 2</u>	<u>731,614</u>
14	<u>MISSOULA</u>	<u>MISSOULA - 1-1B &amp; 1-1C</u>	<u>1,100,507</u>
15	<u>MISSOULA</u>	<u>MISSOULA - 4-1C</u>	<u>33,343</u>
16	<u>SILVER BOW</u>	<u>BUTTE - UPTOWN</u>	<u>283,801</u>
17	<u>YELLOWSTONE</u>	<u>BILLINGS</u>	<u>436,815</u>
18	<u>(C) THE ENTITLEMENT SHARE FOR INDUSTRIAL TAX INCREMENT FINANCING DISTRICTS IS AS FOLLOWS:</u>		
19	<u>(i) FOR FISCAL YEARS 2002 AND 2003:</u>		
20	<u>MISSOULA</u>	<u>COUNTY AIRPORT INDUSTRIAL</u>	<u>\$4,812</u>
21	<u>SILVER BOW</u>	<u>RAMSAY INDUSTRIAL</u>	<u>597,594;</u>
22	<u>(ii) FOR FISCAL YEARS 2004 AND 2005:</u>		
23	<u>MISSOULA</u>	<u>COUNTY AIRPORT INDUSTRIAL</u>	<u>\$2,406</u>
24	<u>SILVER BOW</u>	<u>RAMSAY INDUSTRIAL</u>	<u>298,797; AND</u>
25	<u>(iii) \$0 FOR ALL SUCCEEDING FISCAL YEARS.</u>		
26	<u>(D) THE ENTITLEMENT SHARE FOR INDUSTRIAL TAX INCREMENT FINANCING DISTRICTS REFERRED TO IN SUBSECTION</u>		
27	<u>(6)(C) MAY NOT BE USED TO PAY DEBT SERVICE ON TAX INCREMENT BONDS TO THE EXTENT THAT THE BONDS ARE SECURED</u>		
28	<u>BY A GUARANTY, A LETTER OF CREDIT, OR A SIMILAR ARRANGEMENT PROVIDED BY OR ON BEHALF OF AN OWNER OF</u>		
29	<u>PROPERTY WITHIN THE TAX INCREMENT FINANCING INDUSTRIAL DISTRICT.</u>		
30	<u>(E) ONE-HALF OF THE PAYMENTS PROVIDED FOR IN SUBSECTION (6)(C) MUST BE MADE BY JULY 30, AND THE</u>		

1 OTHER HALF MUST BE MADE IN DECEMBER OF EACH YEAR.

2 (7) THE ESTIMATED BASE YEAR ENTITLEMENT SHARE POOL AND ANY SUBSEQUENT ENTITLEMENT SHARE POOL FOR  
3 LOCAL GOVERNMENTS DO NOT INCLUDE REVENUE RECEIVED FROM COUNTYWIDE TRANSPORTATION BLOCK GRANTS OR FROM  
4 COUNTYWIDE RETIREMENT BLOCK GRANTS.

5 (8) THE ESTIMATES FOR THE BASE YEAR ENTITLEMENT SHARE POOL IN SUBSECTION (1) MUST BE CALCULATED  
6 AS IF THE FEES IN CHAPTER 515, LAWS OF 1999, WERE IN EFFECT FOR ALL OF FISCAL YEAR 2001.

7 (9) (A) IF REVENUE THAT IS INCLUDED IN THE SOURCES LISTED IN SUBSECTIONS (1)(B) THROUGH (1)(P) IS  
8 SIGNIFICANTLY REDUCED, EXCEPT THROUGH LEGISLATIVE ACTION, THE DEPARTMENT SHALL DEDUCT THE AMOUNT OF  
9 REVENUE LOSS FROM THE ENTITLEMENT SHARE POOL BEGINNING IN THE SUCCEEDING FISCAL YEAR AND THE DEPARTMENT  
10 SHALL WORK WITH LOCAL GOVERNMENTS TO PROPOSE LEGISLATION TO ADJUST THE ENTITLEMENT SHARE POOL TO REFLECT  
11 AN ALLOCATION OF THE LOSS OF REVENUE.

12 (B) FOR THE PURPOSES OF SUBSECTION (9)(A), A SIGNIFICANT REDUCTION IS A LOSS THAT CAUSES THE AMOUNT  
13 OF REVENUE RECEIVED IN THE CURRENT YEAR TO BE LESS THAN 95% OF THE AMOUNT OF REVENUE RECEIVED IN THE BASE  
14 YEAR.

15 (10) A THREE-FIFTHS VOTE OF EACH HOUSE IS REQUIRED TO REDUCE THE AMOUNT OF THE ENTITLEMENT SHARE  
16 CALCULATED PURSUANT TO SUBSECTIONS (1) THROUGH (3).

17 (11) WHEN THERE HAS BEEN AN UNDERPAYMENT OF A LOCAL GOVERNMENT'S SHARE OF THE ENTITLEMENT SHARE  
18 POOL, THE DEPARTMENT SHALL DISTRIBUTE THE DIFFERENCE BETWEEN THE UNDERPAYMENT AND THE CORRECT AMOUNT  
19 OF THE ENTITLEMENT SHARE. WHEN THERE HAS BEEN AN OVERPAYMENT OF A LOCAL GOVERNMENT'S ENTITLEMENT SHARE,  
20 THE LOCAL GOVERNMENT SHALL REMIT THE OVERPAID AMOUNT TO THE DEPARTMENT.

21 (12) A LOCAL GOVERNMENT MAY APPEAL THE DEPARTMENT'S ESTIMATION OF THE BASE YEAR COMPONENT, THE  
22 ENTITLEMENT SHARE POOL GROWTH RATE, OR A LOCAL GOVERNMENT'S ALLOCATION OF THE ENTITLEMENT SHARE POOL,  
23 ACCORDING TO THE UNIFORM DISPUTE REVIEW PROCEDURE IN 15-1-211.

24  
25 NEW SECTION. Section 2. Election to impose new mill levy or exceed limit. (1) A county,  
26 consolidated government, incorporated city, or incorporated town may impose a new mill levy or exceed  
27 the mill levy limit provided for in 15-10-420 by conducting an election as provided in this section.

28 (2) An election conducted pursuant to this section may be held in conjunction with a regular or  
29 primary election or may be a special election. The governing body shall pass a resolution OR AMEND ITS  
30 SELF-GOVERNING CHARTER indicating its intent to impose a new levy or to exceed the current statutory mill



1 levy provided for in 15-10-420 on the approval of a majority of the qualified electors voting in the election.

2 The resolution OR CHARTER AMENDMENT must include:

3 (a) the specific purpose for which the additional money will be used;

4 (b) the specific amount to be raised;

5 (c) the approximate number of mills required; and

6 (d) the durational limit, if any, on the levy.

7 (3) Notice of the election must be given as provided by law. The form of the ballot must reflect

8 the content of the resolution OR CHARTER AMENDMENT.

9 (4) If the majority of voters voting on the question are in favor of the additional levy, the governing  
10 body is authorized to impose the levy in the amount specified in the resolution OR CHARTER AMENDMENT.

11

12 ~~NEW SECTION. Section 3. Fund transfers -- appropriation. (1) There is transferred from the state  
13 general fund the amount indicated to the following state entities for fiscal year 2002:~~

14 ~~—— (a) \$697,361 to the motor vehicle recycling and disposal program provided for in Title 75, chapter  
15 10, part 5;~~

16 ~~—— (b) \$1,339,465 to the weed account provided for in 80-7-816;~~

17 ~~—— (c) \$120,243 to the state motorcycle safety account provided for in 20-25-1002;~~

18 ~~—— (d) \$493,983 to the department of fish, wildlife, and parks to be used for boat facilities,  
19 snowmobile facilities, and off-highway vehicle recreational use, safety, and education;~~

20 ~~—— (e) \$30,384 to the adoption services account provided for in 42-2-105;~~

21 ~~—— (f) \$3,641,987 to the department of transportation state special revenue nonrestricted account;  
22 and~~

23 ~~—— (g) \$113,648 to the state veterans' cemetery account provided for in 10-2-603.~~

24 ~~—— (2) (a) There is transferred from the state general fund the amount indicated to the following state  
25 entities for fiscal year 2003:~~

26 ~~—— (i) \$707,821 to the motor vehicle recycling and disposal program provided for in Title 75, chapter  
27 10, part 5;~~

28 ~~—— (ii) \$1,339,557 to the weed account provided for in 80-7-816;~~

29 ~~—— (iii) \$122,047 to the state motorcycle safety account provided for in 20-25-1002;~~

30 ~~—— (iv) \$501,393 to the department of fish, wildlife, and parks to be used for boat facilities;~~

1 snowmobile facilities, and off-highway vehicle recreational use, safety, and education;  
2 ~~—— (v) \$30,384 to the adoption services account provided for in 42-2-105;~~  
3 ~~—— (vi) \$3,696,617 to the department of transportation state special revenue nonrestricted account;~~  
4 and  
5 ~~—— (vii) \$115,352 to the state veterans' cemetery account provided for in 10-2-603.~~  
6 ~~—— (b) The amounts listed in subsection (2)(a) are increased by 1.5% in each succeeding fiscal year,~~  
7 ~~and that amount is transferred from the general fund to the designated recipient. (1) THERE IS TRANSFERRED~~  
8 ~~FROM THE STATE GENERAL FUND TO THE ADOPTION SERVICES ACCOUNT, PROVIDED FOR IN 42-2-105, \$33,422 FOR~~  
9 ~~FISCAL YEAR 2002 AND \$36,764 FOR FISCAL YEAR 2003. BEGINNING WITH FISCAL YEAR 2004, THE AMOUNT OF THE~~  
10 ~~TRANSFER MUST BE INCREASED BY 10% IN EACH SUCCEEDING FISCAL YEAR.~~  
11 ~~—— (2) THERE IS TRANSFERRED FROM THE STATE GENERAL FUND TO THE DEPARTMENT OF TRANSPORTATION STATE~~  
12 ~~SPECIAL REVENUE NONRESTRICTED ACCOUNT THE FOLLOWING AMOUNTS:~~  
13 ~~—— (A) \$3,641,987 IN FISCAL YEAR 2002;~~  
14 ~~—— (B) \$3,696,617 IN FISCAL YEAR 2003;~~  
15 ~~—— (C) \$3,752,066 IN FISCAL YEAR 2004; AND~~  
16 ~~—— (D) IN EACH SUCCEEDING FISCAL YEAR, THE AMOUNT IN SUBSECTION (2)(D) (2)(C), INCREASED BY 1.5% IN EACH~~  
17 ~~SUCCEEDING FISCAL YEAR.~~  
18 ~~—— (3) FOR FISCAL YEAR 2002 AND FOR EACH SUCCEEDING FISCAL YEAR, THERE IS TRANSFERRED FROM THE STATE~~  
19 ~~GENERAL FUND TO THE ACCOUNTS, ENTITIES, OR RECIPIENTS INDICATED THE FOLLOWING AMOUNTS:~~  
20 ~~—— (A) TO THE MOTOR VEHICLE RECYCLING AND DISPOSAL PROGRAM PROVIDED FOR IN TITLE 75, CHAPTER 10, PART~~  
21 ~~5:~~  
22 ~~—— (i) \$1.50 \$2 FOR EACH NEW APPLICATION FOR A MOTOR VEHICLE TITLE AND FOR EACH TRANSFER OF A MOTOR~~  
23 ~~VEHICLE TITLE, AS PROVIDED FOR IN 61-3-508 FOR WHICH A FEE IS PAID PURSUANT TO 61-3-203; AND~~  
24 ~~—— (ii) 50 CENTS FOR EACH PASSENGER CAR OR TRUCK UNDER 8,001 POUNDS GVW REGISTERED FOR LICENSING,~~  
25 ~~AS PROVIDED FOR IN 61-3-508 PURSUANT TO TITLE 61, CHAPTER 3, PART 3. FIFTEEN CENTS OF EACH DOLLAR MUST~~  
26 ~~BE USED FOR THE PURPOSE OF REIMBURSING THE HIRED REMOVAL OF ABANDONED VEHICLES DURING THE CALENDAR YEAR~~  
27 ~~FOLLOWING THE CALENDAR YEAR IN WHICH THE FEE WAS PAID. ANY PORTION OF THE 15 CENTS NOT USED FOR~~  
28 ~~ABANDONED VEHICLE REMOVAL REIMBURSEMENT DURING THE CALENDAR YEAR FOLLOWING ITS PAYMENT MUST BE USED~~  
29 ~~AS PROVIDED IN 75-10-532;~~  
30 ~~—— (B) TO THE NOXIOUS WEED STATE SPECIAL REVENUE ACCOUNT PROVIDED FOR IN 80-7-816;~~

1 ~~\_\_\_\_\_ (i) \$1 FOR EACH OFF-HIGHWAY VEHICLE SUBJECT TO PAYMENT OF THE FEE IN LIEU OF TAX, AS PROVIDED FOR~~  
2 ~~IN 23-2-803; AND~~

3 ~~\_\_\_\_\_ (ii) \$1.50 FOR EACH MOTOR VEHICLE LIGHT VEHICLE, TRUCK OR BUS WEIGHING LESS THAN 1 TON, LOGGING~~  
4 ~~TRUCK, VEHICLES WEIGHING MORE THAN 1 TON, MOTORCYCLE, QUADRICYCLE, AND MOTOR HOME SUBJECT TO~~  
5 ~~REGISTRATION OR REREGISTRATION PURSUANT TO 61-3-510 61-3-321;~~

6 ~~\_\_\_\_\_ (c) TO THE DEPARTMENT OF FISH, WILDLIFE, AND PARKS:~~

7 ~~\_\_\_\_\_ (i) \$2.50 FOR EACH MOTORBOAT, SAILBOAT, OR PERSONAL WATERCRAFT RECEIVING A CERTIFICATE OF NUMBER~~  
8 ~~UNDER 23-2-512, WITH 20% OF THE AMOUNT RECEIVED TO BE USED TO ACQUIRE AND MAINTAIN PUMPOUT EQUIPMENT~~  
9 ~~AND OTHER BOAT FACILITIES;~~

10 ~~\_\_\_\_\_ (ii) \$5 FOR EACH SNOWMOBILE REGISTERED UNDER 23-2-616, WITH \$2.50 TO BE USED FOR ENFORCING THE~~  
11 ~~PURPOSES OF 23-2-601 THROUGH 23-2-644 AND \$2.50 DESIGNATED FOR USE IN THE DEVELOPMENT, MAINTENANCE,~~  
12 ~~AND OPERATION OF SNOWMOBILE FACILITIES;~~

13 ~~\_\_\_\_\_ (iii) \$1 FOR EACH DUPLICATE SNOWMOBILE DECAL ISSUED UNDER 23-2-617;~~

14 ~~\_\_\_\_\_ (iv) \$5 FOR EACH OFF-HIGHWAY VEHICLE DECAL ISSUED UNDER 23-2-804 AND EACH OFF-HIGHWAY VEHICLE~~  
15 ~~DUPLICATE DECAL ISSUED UNDER 23-2-809, WITH 40% OF THE MONEY USED TO ENFORCE THE PROVISIONS OF 23-2-804~~  
16 ~~AND 60% OF THE MONEY USED TO DEVELOP AND IMPLEMENT A COMPREHENSIVE PROGRAM AND TO PLAN APPROPRIATE~~  
17 ~~OFF-HIGHWAY VEHICLE RECREATION USE; AND~~

18 ~~\_\_\_\_\_ (v) TO THE STATE SPECIAL REVENUE FUND ESTABLISHED IN 23-1-105, \$3.50 FOR EACH RECREATIONAL VEHICLE,~~  
19 ~~CAMPER, MOTOR HOME, AND TRAVEL TRAILER REGISTERED OR REREGISTERED AND SUBJECT TO THE FEE IN 61-3-512~~  
20 ~~61-3-321 OR 61-3-524; AND~~

21 ~~\_\_\_\_\_ (vi) AN AMOUNT EQUAL TO 20% OF THE FUNDS COLLECTED PURSUANT TO 23-2-518 TO BE DEPOSITED IN THE~~  
22 ~~MOTORBOAT ACCOUNT TO BE USED AS PROVIDED IN 23-2-533;~~

23 ~~\_\_\_\_\_ (d) TO THE STATE VETERAN'S CEMETERY ACCOUNT, PROVIDED FOR IN 10-2-603, \$10 FOR EACH VETERAN'S~~  
24 ~~LICENSE PLATE ISSUED PURSUANT TO 61-3-332(10)(A)(ii), (10)(f), AND (10)(h); AND~~

25 ~~\_\_\_\_\_ (e) TO THE SUPPLEMENTAL BENEFITS FOR HIGHWAY PATROL OFFICERS' RETIREMENT ACCOUNT PROVIDED FOR IN~~  
26 ~~19-6-709, 25 CENTS FOR EACH MOTOR VEHICLE REGISTERED, OTHER THAN TRAILERS OR SEMITRAILERS REGISTERED IN~~  
27 ~~OTHER JURISDICTIONS AND REGISTERED THROUGH A PROPORTIONAL REGISTRATION AGREEMENT;~~

28 ~~\_\_\_\_\_ [(f) 25 CENTS A YEAR FOR EACH VEHICLE SUBJECT TO THE FEE IN 61-3-321(6) FOR DEPOSIT IN THE STATE~~  
29 ~~SPECIAL REVENUE FUND TO THE CREDIT OF THE SENIOR CITIZENS AND PERSONS WITH DISABILITIES TRANSPORTATION~~  
30 ~~SERVICES ACCOUNT PROVIDED FOR IN [SECTION 1 OF SENATE BILL NO. 448].]~~

~~(4) FOR EACH FISCAL YEAR, BEGINNING WITH FISCAL YEAR 2002, THE DEPARTMENT OF JUSTICE SHALL PROVIDE TO THE DEPARTMENT OF REVENUE A COUNT OF THE VEHICLES REQUIRED FOR THE CALCULATIONS IN SUBSECTION (3). TRANSFER AMOUNTS FOR FISCAL YEAR 2002 MUST BE BASED ON VEHICLE COUNTS FOR CALENDAR YEAR 2000. TRANSFER AMOUNTS IN EACH SUCCEEDING FISCAL YEAR MUST BE BASED ON VEHICLE COUNTS IN THE MOST RECENT CALENDAR YEAR FOR WHICH VEHICLE INFORMATION IS AVAILABLE.~~

~~(3)(5) The amounts transferred from the general fund to the designated recipient must be appropriated as state special revenue in the general appropriations act for the designated purposes.~~

**NEW SECTION. SECTION 3. FUND TRANSFERS.** (1) THERE IS TRANSFERRED FROM THE STATE GENERAL FUND TO THE ADOPTION SERVICES ACCOUNT, PROVIDED FOR IN 42-2-105, \$36,764 FOR FISCAL YEAR 2003. BEGINNING WITH FISCAL YEAR 2004, THE AMOUNT OF THE TRANSFER MUST BE INCREASED BY 10% IN EACH SUCCEEDING FISCAL YEAR.

(2) THERE IS TRANSFERRED FROM THE STATE GENERAL FUND TO THE DEPARTMENT OF TRANSPORTATION STATE SPECIAL REVENUE NONRESTRICTED ACCOUNT THE FOLLOWING AMOUNTS:

(A) \$2,873,853 IN FISCAL YEAR 2002;

(B) \$2,916,961 IN FISCAL YEAR 2003;

(C) \$2,960,715 IN FISCAL YEAR 2004; AND

(D) IN EACH SUCCEEDING FISCAL YEAR, THE AMOUNT IN SUBSECTION (2)(C), INCREASED BY 1.5% IN EACH SUCCEEDING FISCAL YEAR.

(3) FOR FISCAL YEAR 2002 AND FOR EACH SUCCEEDING FISCAL YEAR, THERE IS TRANSFERRED FROM THE STATE GENERAL FUND TO THE ACCOUNTS, ENTITIES, OR RECIPIENTS INDICATED THE FOLLOWING AMOUNTS:

(A) TO THE MOTOR VEHICLE RECYCLING AND DISPOSAL PROGRAM PROVIDED FOR IN TITLE 75, CHAPTER 10, PART 5:

(I) \$2 FOR EACH NEW APPLICATION FOR A MOTOR VEHICLE TITLE AND FOR EACH TRANSFER OF A MOTOR VEHICLE TITLE FOR WHICH A FEE IS PAID PURSUANT TO 61-3-203; AND

(II) \$1 FOR EACH PASSENGER CAR OR TRUCK UNDER 8,001 POUNDS GVW REGISTERED FOR LICENSING PURSUANT TO TITLE 61, CHAPTER 3, PART 3. FIFTEEN CENTS OF EACH DOLLAR MUST BE USED FOR THE PURPOSE OF REIMBURSING THE HIRED REMOVAL OF ABANDONED VEHICLES DURING THE CALENDAR YEAR FOLLOWING THE CALENDAR YEAR IN WHICH THE FEE WAS PAID. ANY PORTION OF THE 15 CENTS NOT USED FOR ABANDONED VEHICLE REMOVAL REIMBURSEMENT DURING THE CALENDAR YEAR FOLLOWING ITS PAYMENT MUST BE USED AS PROVIDED IN 75-10-532;

(B) TO THE NOXIOUS WEED STATE SPECIAL REVENUE ACCOUNT PROVIDED FOR IN 80-7-816:

1 (i) \$1 FOR EACH OFF-HIGHWAY VEHICLE SUBJECT TO PAYMENT OF THE FEE IN LIEU OF TAX, AS PROVIDED FOR  
2 IN 23-2-803; AND

3 (ii) \$1.50 FOR EACH LIGHT VEHICLE, TRUCK OR BUS WEIGHING LESS THAN 1 TON, LOGGING TRUCK, VEHICLES  
4 WEIGHING MORE THAN 1 TON, MOTORCYCLE, QUADRICYCLE, AND MOTOR HOME SUBJECT TO REGISTRATION OR  
5 REREGISTRATION PURSUANT TO 61-3-321;

6 (C) TO THE DEPARTMENT OF FISH, WILDLIFE, AND PARKS:

7 (i) \$2.50 FOR EACH MOTORBOAT, SAILBOAT, OR PERSONAL WATERCRAFT RECEIVING A CERTIFICATE OF NUMBER  
8 UNDER 23-2-512, WITH 20% OF THE AMOUNT RECEIVED TO BE USED TO ACQUIRE AND MAINTAIN PUMPOUT EQUIPMENT  
9 AND OTHER BOAT FACILITIES;

10 (ii) \$5 FOR EACH SNOWMOBILE REGISTERED UNDER 23-2-616, WITH \$2.50 TO BE USED FOR ENFORCING THE  
11 PURPOSES OF 23-2-601 THROUGH 23-2-644 AND \$2.50 DESIGNATED FOR USE IN THE DEVELOPMENT, MAINTENANCE,  
12 AND OPERATION OF SNOWMOBILE FACILITIES;

13 (iii) \$1 FOR EACH DUPLICATE SNOWMOBILE DECAL ISSUED UNDER 23-2-617;

14 (iv) \$5 FOR EACH OFF-HIGHWAY VEHICLE DECAL ISSUED UNDER 23-2-804 AND EACH OFF-HIGHWAY VEHICLE  
15 DUPLICATE DECAL ISSUED UNDER 23-2-809, WITH 40% OF THE MONEY USED TO ENFORCE THE PROVISIONS OF 23-2-804  
16 AND 60% OF THE MONEY USED TO DEVELOP AND IMPLEMENT A COMPREHENSIVE PROGRAM AND TO PLAN APPROPRIATE  
17 OFF-HIGHWAY VEHICLE RECREATIONAL USE;

18 (v) TO THE STATE SPECIAL REVENUE FUND ESTABLISHED IN 23-1-105, \$3.50 FOR EACH RECREATIONAL VEHICLE,  
19 CAMPER, MOTOR HOME, AND TRAVEL TRAILER REGISTERED OR REREGISTERED AND SUBJECT TO THE FEE IN 61-3-321 OR  
20 61-3-524; AND

21 (vi) AN AMOUNT EQUAL TO 20% OF THE FUNDS COLLECTED PURSUANT TO 23-2-518 TO BE DEPOSITED IN THE  
22 MOTORBOAT ACCOUNT TO BE USED AS PROVIDED IN 23-2-533;

23 (D) TO THE STATE VETERANS' CEMETERY ACCOUNT, PROVIDED FOR IN 10-2-603, \$10 FOR EACH VETERAN'S  
24 LICENSE PLATE ISSUED PURSUANT TO 61-3-332(10)(A)(II), (10)(F), AND (10)(H); AND

25 (E) TO THE SUPPLEMENTAL BENEFITS FOR HIGHWAY PATROL OFFICERS' RETIREMENT ACCOUNT PROVIDED FOR IN  
26 19-6-709, 25 CENTS FOR EACH MOTOR VEHICLE REGISTERED, OTHER THAN TRAILERS OR SEMITRAILERS REGISTERED IN  
27 OTHER JURISDICTIONS AND REGISTERED THROUGH A PROPORTIONAL REGISTRATION AGREEMENT.

28 [(F) 25 CENTS A YEAR FOR EACH VEHICLE SUBJECT TO THE FEE IN 61-3-321(6) FOR DEPOSIT IN THE STATE  
29 SPECIAL REVENUE FUND TO THE CREDIT OF THE SENIOR CITIZENS AND PERSONS WITH DISABILITIES TRANSPORTATION  
30 SERVICES ACCOUNT PROVIDED FOR IN [SECTION 1 OF SENATE BILL NO. 447].]

(4) FOR FISCAL YEAR 2002, THERE IS TRANSFERRED FROM THE STATE GENERAL FUND TO THE STATE SPECIAL REVENUE FUND TO BE USED FOR PURPOSES OF STATE FUNDING OF DISTRICT COURT EXPENSES, AS PROVIDED IN 3-5-901, \$5,742,983 IN LIEU OF THE AMOUNT DEPOSITED BY THE STATE TREASURER UNDER 61-3-509(3), AS THAT SUBSECTION READ PRIOR TO THE AMENDMENT OF 61-3-509 IN 2001.

(5) FOR EACH FISCAL YEAR, BEGINNING WITH FISCAL YEAR 2002, THE DEPARTMENT OF JUSTICE SHALL PROVIDE TO THE DEPARTMENT OF REVENUE A COUNT OF THE VEHICLES REQUIRED FOR THE CALCULATIONS IN SUBSECTION (3). TRANSFER AMOUNTS FOR FISCAL YEAR 2002 MUST BE BASED ON VEHICLE COUNTS FOR CALENDAR YEAR 2000. TRANSFER AMOUNTS IN EACH SUCCEEDING FISCAL YEAR MUST BE BASED ON VEHICLE COUNTS IN THE MOST RECENT CALENDAR YEAR FOR WHICH VEHICLE INFORMATION IS AVAILABLE.

(6) THE AMOUNTS TRANSFERRED FROM THE GENERAL FUND TO THE DESIGNATED RECIPIENT MUST BE APPROPRIATED AS STATE SPECIAL REVENUE IN THE GENERAL APPROPRIATIONS ACT FOR THE DESIGNATED PURPOSES.

**Section 4.** Section 1-2-112, MCA, is amended to read:

**"1-2-112. Statutes imposing new local government duties.** (1) ~~Except as~~ As provided in ~~this section~~ subsection (3), a law enacted by the legislature that requires a local government unit to perform an activity or provide a service or facility that requires the direct expenditure of additional funds and that is not expected of local governments in the scope of their usual operations must provide a specific means to finance the activity, service, or facility other than ~~a mill levies or the all-purpose mill levy~~. Any law that fails to provide a specific means to finance any activity, service, or facility is not effective until specific means of financing are provided by the legislature from state or federal funds.

~~(2) The legislature may fulfill the requirements of this section by providing for an increase in the existing authorized mill levies, the all-purpose mill levy, special mill levies, or the remission of money by the state to local governments. However, an increase in the existing authorized mill levies, the all-purpose mill levy, or any special mill levy must provide an amount necessary to finance the additional costs, and if financing is provided by remission of funds by the state, the remission must bear a reasonable relationship to the actual cost of performing the activity or providing the service or facility.~~

~~(3)(2)~~ Subsequent legislation may not be considered to supersede or modify any provision of this section, ~~whether by implication or otherwise, except to the extent that the~~. Subsequent legislation may supersede or modify the provisions of this section if the legislation does so expressly.

(3) The mandates that the legislature is required to fund under subsection (1) are legislatively

imposed requirements that are not necessary for the operation of local governments but that provide a valuable service or benefit to Montana citizens, including but not limited to:

(a) entitlement mandates that provide that certain classes of citizens may receive specific benefits;

(b) membership mandates that require local governments to join specific organizations, such as waste districts or a national organization of regulators; and

(c) service level mandates requiring local governments to meet certain minimum standards.

(4) This section Subsection (1) does not apply to:

(a) mandates that are required of local governments as a matter of constitutional law or federal statute or that are considered necessary for the operation of local governments, including but not limited to:

(i) due process mandates;

(ii) equal treatment mandates;

(iii) local government ethics mandates;

(iv) personnel and employment mandates;

(v) recordkeeping requirements; or

(vi) mandates concerning the organizational structure of local governments;

(b) any law under which the required expenditure of additional local funds is an insubstantial amount that can be readily absorbed into the budget of an existing program. A required expenditure of the equivalent of approximately 0.1 1 mill or less levied on taxable property of the local government unit OR \$10,000, WHICHEVER IS LESS, may be considered an insubstantial amount.

(c) a law necessary to implement the National Voter Registration Act of 1993, Public Law 103-31."

~~NEW SECTION. SECTION 5. DISTRICT COURT AND PUBLIC ASSISTANCE LEVIES. A COUNTY SHALL CONTINUE TO LEVY THE NUMBER OF MILLS LEVIED FOR THE SUPPORT OF DISTRICT COURTS AND PUBLIC ASSISTANCE THAT WERE LEVIED FOR THE FISCAL YEAR ENDING JUNE 30, 2001, PLUS THE ADJUSTMENTS ALLOWED BY 15-10-420. ALL REVENUE FROM THE LEVIES THAT IS NOT NECESSARY FOR FUNDING THE OPERATIONS OF THE CLERK OF THE DISTRICT COURT, PROVIDING CURRENT SPACE FOR DISTRICT COURTS, JUVENILE PROBATION FUNCTIONS, AND OTHER COSTS NOT ASSUMED BY THE STATE MUST BE DISTRIBUTED TO COUNTY FUNDS AND SPECIAL DISTRICTS IN THE SAME MANNER THAT ENTITLEMENT SHARE PAYMENTS ARE ALLOCATED PURSUANT TO [SECTION 1]. A COUNTY OR CONSOLIDATED LOCAL GOVERNMENT MAY NOT~~

~~BE REQUIRED TO PROVIDE ADDITIONAL SPACE FOR A DISTRICT COURT, JUVENILE PROBATION OFFICE, OR PUBLIC ASSISTANCE  
OFFICE UNLESS THE STATE PROVIDES FUNDS TO PAY FOR THE ADDITIONAL SPACE.~~

**Section 5.** Section 2-9-316, MCA, is amended to read:

**"2-9-316. Judgments against governmental entities except state.** Except as provided in 15-1-402, a political subdivision of the state shall satisfy a final judgment or settlement out of funds that may be available from the following sources:

(1) insurance;

(2) the general fund or any other funds legally available to the governing body;

(3) a property tax, otherwise properly authorized by law, collected by a special levy authorized by law, in an amount necessary to pay any unpaid portion of the judgment or settlement, ~~except that the levy may not exceed 10 mills;~~

(4) proceeds from the sale of bonds issued by a county, city, or school district for the purpose of deriving revenue for the payment of the judgment or settlement liability. The governing body of a county, city, or school district may issue bonds pursuant to procedures established by law. Property taxes may be levied to amortize the bonds, ~~provided the levy for payment of any bonds, settlements, or judgments may not exceed, in the aggregate, 10 mills annually.~~"

~~**Section 7.** Section 3-2-714, MCA, is amended to read:~~

~~**"3-2-714. Civil legal assistance for indigent victims of domestic violence account.** (1) There is a civil legal assistance for indigent victims of domestic violence account in the state special revenue fund. There must be paid into this account the filing fees paid under 25-1-201(4)(a) and (11). THERE MUST BE PAID INTO THIS ACCOUNT THE FILING FEES PAID UNDER 25-1-201(3)(A) AND (6) 25-1-201(3) AND (5). The money in the account must be used solely for the purpose of providing legal representation for indigent victims in civil matters in domestic violence cases and for alternative dispute resolution initiatives in family law cases. Money in the account may not be used for class action lawsuits.~~

~~(2) The supreme court administrator shall establish procedures for the distribution and accountability of money in the account. The supreme court administrator may designate nonprofit organizations that ordinarily render or finance legal services to indigent persons in civil matters in domestic violence cases to receive or administer the distribution of the funds."~~



1  
2       **SECTION 6. SECTION 3-2-714, MCA, IS AMENDED TO READ:**

3       **"3-2-714. Civil legal assistance for indigent victims of domestic violence account.** (1) There is a  
4 civil legal assistance for indigent victims of domestic violence account in the state special revenue fund.  
5 ~~There must be paid into this account the filing fees paid under 25-1-201(4)(a) and (11).~~ There must be  
6 paid into this account the filing fees paid under 25-1-201(3) and (5). The money in the account must be  
7 used solely for the purpose of providing legal representation for indigent victims in civil matters in domestic  
8 violence cases and for alternative dispute resolution initiatives in family law cases. Money in the account  
9 may not be used for class action lawsuits.

10       (2) The supreme court administrator shall establish procedures for the distribution and  
11 accountability of money in the account. The supreme court administrator may designate nonprofit  
12 organizations that ordinarily render or finance legal services to indigent persons in civil matters in domestic  
13 violence cases to receive or administer the distribution of the funds."  
14

15 ~~——— **Section 8.** Section 3-5-901, MCA, is amended to read:~~

16 ~~——— **"3-5-901. State assumption of certain district court expenses -- designation as district court**~~  
17 ~~**reimbursement program.** (1) To the extent that revenue is available under 61-3-509, the state shall fund:~~

18 ~~——— (a) the following district court expenses in criminal cases only:~~

19 ~~——— (i) salaries of court reporters;~~

20 ~~——— (ii) fees for transcripts of proceedings;~~

21 ~~——— (iii) witness fees and necessary expenses;~~

22 ~~——— (iv) juror fees;~~

23 ~~——— (v) expenses for indigent defense; and~~

24 ~~——— (vi) expenses for psychiatric examinations;~~

25 ~~——— (b) the district court expenses, as listed in subsection (1)(a), in all postconviction proceedings held~~  
26 ~~pursuant to Title 46, chapter 21, and in all habeas corpus proceedings held pursuant to Title 46, chapter~~  
27 ~~22, and appeals from those proceedings;~~

28 ~~——— (c) the following expenses incurred by the state in federal habeas corpus cases that challenge the~~  
29 ~~validity of a conviction or of a sentence:~~

30 ~~——— (i) transcript fees;~~

~~1 (ii) witness fees; and~~  
~~2 (iii) expenses for psychiatric examinations; and~~  
~~3 (d) the following expenses incurred by the state in a proceeding held pursuant to Title 41, chapter~~  
~~4 3, part 4 or 6, that seeks temporary investigative authority of a youth, temporary legal custody of a youth,~~  
~~5 or termination of the parent-child legal relationship and permanent custody:~~  
~~6 (i) transcript fees;~~  
~~7 (ii) witness fees;~~  
~~8 (iii) expenses for medical and psychological evaluation of a youth or the youth's parent, guardian,~~  
~~9 or other person having physical or legal custody of the youth except for expenses for services that a~~  
~~10 person is eligible to receive under a public program that provides medical or psychological evaluation;~~  
~~11 (iv) expenses associated with appointment of a guardian ad litem or child advocate for the youth;~~  
~~12 (v) expenses for appointed counsel for the youth;~~  
~~13 (vi) expenses for appointed counsel for the parent, guardian, or other person having physical or~~  
~~14 legal custody of the youth; and~~  
~~15 (vii) expenses associated with court-ordered alternative dispute resolution.~~  
~~16 (2) If revenue received under 61-3-509 for district court expenses exceeds the amount~~  
~~17 appropriated by the legislature to fund the expenses of the appellate defender program, the excess amount~~  
~~18 is statutorily appropriated, as provided in 17-7-502, to the supreme court to fund the expenses described~~  
~~19 in subsections (1)(a) through (1)(d), the district court grant program as described in subsection (4)(a), and~~  
~~20 the costs of administering this section.~~  
~~21 (3) All revenue disbursed under this section must be deposited in and credited to the district court~~  
~~22 fund. If a district court fund does not exist, the revenue must be deposited in the county general fund for~~  
~~23 district court operations.~~  
~~24 (4) If money appropriated for the expenses listed in subsection (1):~~  
~~25 (a) exceeds the amount necessary to fully fund those expenses, the remaining excess amounts~~  
~~26 must be used for district court grants as provided in 7-6-2352; or~~  
~~27 (b) is insufficient to fully fund those expenses, the county is responsible for payment of the~~  
~~28 balance."~~

**SECTION 7. SECTION 3-5-901, MCA, IS AMENDED TO READ:**

1           **"3-5-901. State assumption of certain district court expenses -- designation as district court**  
2 **reimbursement program.** (1) To the extent that revenue is available under ~~61-3-509~~ 61-3-509(3), as that  
3 subsection read prior to the amendment of 61-3-509 in 2001, the state shall fund:

4           (a) the following district court expenses in criminal cases only:

5           (i) salaries of court reporters;

6           (ii) fees for transcripts of proceedings;

7           (iii) witness fees and necessary expenses;

8           (iv) juror fees;

9           (v) expenses for indigent defense; and

10          (vi) expenses for psychiatric examinations;

11          (b) the district court expenses, as listed in subsection (1)(a), in all postconviction proceedings held  
12 pursuant to Title 46, chapter 21, and in all habeas corpus proceedings held pursuant to Title 46, chapter  
13 22, and appeals from those proceedings;

14          (c) the following expenses incurred by the state in federal habeas corpus cases that challenge the  
15 validity of a conviction or of a sentence:

16          (i) transcript fees;

17          (ii) witness fees; and

18          (iii) expenses for psychiatric examinations; and

19          (d) the following expenses incurred by the state in a proceeding held pursuant to Title 41, chapter  
20 3, part 4 or 6, that seeks temporary investigative authority of a youth, temporary legal custody of a youth,  
21 or termination of the parent-child legal relationship and permanent custody:

22          (i) transcript fees;

23          (ii) witness fees;

24          (iii) expenses for medical and psychological evaluation of a youth or the youth's parent, guardian,  
25 or other person having physical or legal custody of the youth except for expenses for services that a  
26 person is eligible to receive under a public program that provides medical or psychological evaluation;

27          (iv) expenses associated with appointment of a guardian ad litem or child advocate for the youth;

28          (v) expenses for appointed counsel for the youth;

29          (vi) expenses for appointed counsel for the parent, guardian, or other person having physical or  
30 legal custody of the youth; and

(vii) expenses associated with court-ordered alternative dispute resolution.

(2) If revenue received under ~~61-3-509~~ 61-3-509(3), as that subsection read prior to the amendment of 61-3-509 in 2001, for district court expenses exceeds the amount appropriated by the legislature to fund the expenses of the appellate defender program, the excess amount is statutorily appropriated, as provided in 17-7-502, to the supreme court to fund the expenses described in subsections (1)(a) through (1)(d), the district court grant program as described in subsection (4)(a), and the costs of administering this section.

(3) All revenue disbursed under this section must be deposited in and credited to the district court fund. If a district court fund does not exist, the revenue must be deposited in the county general fund for district court operations.

(4) If money appropriated for the expenses listed in subsection (1):  
———(a) exceeds the amount necessary to fully fund those expenses, the remaining excess amounts must be used for district court grants as provided in 7-6-2352; or  
———(b) is insufficient to fully fund those expenses, the county is responsible for payment of the balance."

**Section 8.** Section 7-2-2730, MCA, is amended to read:

**"7-2-2730. Establishment of special warrant district or special funding bond district in continuing county.** (1) After all warrants have been drawn and issued against the funds of ~~such the~~ adjoining county, referred to in 7-2-2729, to pay the claims and demands existing against ~~such the adjoining~~ county on the date when the territory of ~~such the~~ abandoned and abolished county was attached to ~~such the~~ adjoining county, all money in the funds of ~~such the~~ adjoining county ~~shall~~ must be used and applied in payment of the warrants drawn against its respective funds. If ~~such that~~ money is not sufficient to pay all of ~~such the~~ warrants, with the interest ~~thereon on the warrants~~, then the board of county commissioners shall make an order creating a special warrant district and shall include within ~~such the~~ district all of the territory of ~~such the~~ adjoining county but ~~shall~~ may not include ~~therein in the district~~ any of the territory of ~~such the~~ abandoned and abolished county. ~~and~~ The board of county commissioners shall, subject to 15-10-420, ~~thereafter and~~ at the time of making levies for county purposes, levy a special tax against all taxable property in ~~such the~~ district to pay the warrants, with interest ~~thereon on the warrants~~, outstanding against the funds of ~~said the adjoining~~ county. The board may ~~in its discretion~~ extend ~~such the~~ tax levy

1 over a period of not ~~to exceed~~ more than 3 years.

2 (2) (a) If it ~~shall appear~~ appears to the board that it will require too large a tax levy to pay ~~such~~  
3 the warrant indebtedness, with interest ~~thereon~~, within 3 years, ~~such the~~ board, instead of creating a  
4 special warrant district, shall create and establish a special funding bond district and shall include within  
5 the boundaries ~~thereof~~ of the district all of the territory within ~~such the~~ adjoining county but ~~shall may~~ not  
6 include ~~therein in the district~~ any of the territory of the abandoned and abolished county attached to ~~such~~  
7 the adjoining county. After all money in the several funds of ~~said the adjoining~~ county applicable ~~thereto~~  
8 to payment of the warrants has been applied in payment of ~~such the~~ outstanding warrants and interest  
9 ~~thereon on the warrants~~ and without submitting the question of doing so to an election, ~~such the~~ board  
10 may issue bonds in an amount sufficient to pay and redeem all ~~such~~ warrants remaining outstanding, with  
11 interest ~~thereon~~ on the warrants. An election is not required to issue the bonds.

12 (b) ~~Such~~ The bonds ~~shall must~~ be issued in the name of ~~said the~~ adjoining county and ~~shall must~~  
13 contain recitals to the effect that the principal and interest ~~thereof~~ of the bonds will be paid by ~~millage~~ tax  
14 levies against the property situated within the boundaries of ~~said the adjoining~~ county as the ~~same~~  
15 boundaries existed before the territory of ~~such the~~ abandoned and abolished county was attached ~~thereto~~  
16 to the adjoining county and that none of the property within the territory of ~~such the~~ abandoned and  
17 abolished county will be subjected to ~~such the~~ levies. Except as otherwise provided ~~herein in this section~~,  
18 ~~said the~~ bonds ~~shall must~~ be issued and sold and tax levies ~~shall must~~ be fixed and made to pay the  
19 principal and interest ~~thereof~~ on the bonds ~~as the same becomes due~~ in the manner provided by 7-7-107,  
20 7-7-108, 7-7-123, 7-7-124, 7-7-2104, 7-7-2106, and parts 22 and 23 of chapter 7 ~~and all the provisions~~  
21 ~~thereof, so as~~ far as applicable ~~thereto~~, ~~shall~~ apply to ~~such the~~ bonds.

22 (3) For the purposes of 15-10-420, the adjoining county and the abandoned and abolished county  
23 are considered separate taxing jurisdictions with relation to the warrants or bonds described in this  
24 section."

25

26 **Section 9.** Section 7-2-2746, MCA, is amended to read:

27 **"7-2-2746. Details relating to special warrant district.** (1) The board of county commissioners  
28 creating a special warrant district shall, ~~thereafter and~~ at the time of making and fixing tax levies for  
29 county purposes, subject to 15-10-420, make and fix a levy against all taxable property within ~~such the~~  
30 special warrant district for the payment of ~~said the~~ warrants and the interest ~~thereon~~ on the warrants. The

1 proceeds of ~~such the~~ levy, when collected, ~~shall~~ must be deposited by the county treasurer in a separate  
 2 fund ~~which shall~~ that must be used for the payment of ~~said the~~ warrants and interest on the warrants and  
 3 for no other purpose.

4 (2) ~~Said~~ The tax levy ~~need~~ is not required to be made at ~~such~~ a rate ~~as that~~ will pay all of ~~said the~~  
 5 warrants, with interest, in 1 year, but if ~~said the~~ board ~~shall deem~~ considers it ~~for in~~ in the best interests of  
 6 the taxpayers owning property within ~~such the~~ special warrant district, ~~such the~~ levy may be spread over  
 7 a term of not more than 3 years."

8

9 **Section 10.** Section 7-2-4111, MCA, is amended to read:

10 **"7-2-4111. Tax base -- maintenance agreements.** When a city or town is incorporated, a county  
 11 may, subject to 15-10-420, retain the property within the city or town as a part of the tax base of the  
 12 county for purposes of levying taxes against the property for the maintenance of property within the city  
 13 or town until the city or town imposes and collects a levy for maintenance of the property for which the  
 14 county mill levy is imposed. The city or town and the county may enter into an agreement for maintenance  
 15 of property pending an election on a city or town levy."

16

17 **Section 11.** Section 7-2-4918, MCA, is amended to read:

18 **"7-2-4918. Tax levy in the event of insolvency.** (1) If, at any time after the disincorporation of  
 19 a city or town, it is found that there is ~~not sufficient~~ insufficient money in the treasury to the credit of the  
 20 special fund ~~of provided for in~~ 7-2-4912 with which to pay any indebtedness of the corporation, the board  
 21 of county commissioners ~~has the power and it is its duty to~~ shall, subject to 15-10-420, levy and collect  
 22 from the territory formerly included within the city or town a tax or taxes sufficient in amount to pay the  
 23 indebtedness of the corporation as the ~~same shall become~~ indebtedness becomes due.

24 (2) The tax or taxes, assessments, and collections ~~shall~~ must be made in the same manner and  
 25 at the same time that other taxes of the county are levied and collected and are an additional tax upon the  
 26 property included within ~~said the~~ territory or portions ~~thereof~~ of territory of the disincorporated city or  
 27 town for the payment of ~~said the~~ debts. For the purposes of 15-10-420, the levy is considered a levy on  
 28 the property in the city or town until the debt is paid.

29 (3) All money paid into the county treasury under the provisions of this part ~~shall~~ must be ~~placed~~  
 30 ~~to the credit of~~ credited to the special fund."

1

2       **Section 12.** Section 7-3-1310, MCA, is amended to read:

3       **"7-3-1310. Limitation on tax levy.** (1) An ordinance, conforming to 15-10-420, making the annual  
4 tax levy must be passed fixing the rate to be levied upon all property within the municipality to defray  
5 current expenses.

6       (2) ~~Taxes Subject to 15-10-420, taxes~~ required to be levied on account of the debt of the  
7 municipality or any district are not affected by the limits."

8

9       **Section 13.** Section 7-3-1311, MCA, is amended to read:

10       **"7-3-1311. Authority for special taxes and special service districts.** (1) Subject to 15-10-420, a  
11 municipality may levy special taxes for all purposes that counties, cities, and towns are authorized to levy  
12 by general laws of the state, and all of the provisions of those laws are applicable to and govern and  
13 control the municipality in the levying and collection of the special taxes.

14       (2) Subject to 15-10-420, the commission may by ordinance designate clearly specified districts  
15 in or for which special services are to be performed and may levy upon the property in the district a tax,  
16 in addition to any taxes authorized by 7-3-1310(1), as may be necessary with other available funds and  
17 grants to pay the cost of the special service or services. The boundaries of special service districts must  
18 be regularly reviewed by the commissioners and may be adjusted upon recommendation by an authorized  
19 planning body in response to changing population patterns. ~~An additional levy under this section may not~~  
20 ~~be more than 20 mills."~~

21

22       **Section 14.** Section 7-3-1313, MCA, is amended to read:

23       **"7-3-1313. Special taxing districts for indebtedness existing prior to consolidation.** (1) ~~The A~~  
24 district comprised within the boundaries of any city, town, or district existing within the county at the time  
25 of the adoption of ~~this part and part 12~~ and this part by the electors ~~thereof~~ of the consolidated  
26 government ~~shall is~~, for the purpose of paying the interest and principal of any debt incurred by ~~such the~~  
27 city, town, or district prior to ~~such the~~ adoption of the consolidated government, ~~be~~ continued as a special  
28 district until ~~such the~~ debt shall have has been paid. ~~The~~ Subject to 15-10-420, the commission shall, in  
29 the annual tax levy ordinance, levy upon the property within each ~~such~~ district ~~such a~~ a tax, in addition to  
30 all other taxes, ~~as that~~ the director of finance ~~shall report~~ reports to be necessary to provide for paying

the interest on each ~~such~~ debt as it falls due and the principal ~~thereof of the debt~~ as it matures, and no other property within the municipality ~~shall be~~ is taxable or ~~made~~ liable for the payment of any ~~such~~ district debt.

(2) ~~The~~ Subject to 15-10-420, the commission shall ~~likewise~~ provide in the annual tax levy ordinance ADOPTED for the levy of ~~such a~~ tax upon all property within the municipality ~~as that~~ the director of finance ~~shall report reports~~ to be necessary to provide for paying the interest as it falls due and the principal as it matures of any debt of the municipality as a whole.

(3) The tax levy for the debt of the municipality as a whole and the tax levy for the debt of each ~~such~~ district ~~shall each~~ must be a separate levy and ~~shall~~ must be distinct from and in addition to all other tax levies. The proceeds of each ~~such~~ tax levy ~~shall~~ must be placed in a separate fund for the payment of the interest and principal of the debt for which the tax was levied, and ~~no part of any such~~ the fund ~~shall may not~~ be used for any other purpose ~~whatever."~~

**Section 15.** Section 7-3-4312, MCA, is amended to read:

**"7-3-4312. Effect of organization of communities into single municipal district.** (1) Whenever any group of communities ~~shall become~~ becomes a single municipal district under the provisions of this ~~law~~ part, the commissioners elected at the first election ~~shall~~ have the same functions and authority and municipal procedure ~~in all respects shall~~ must be the same as is provided in this ~~law~~ part ~~where~~ when single communities, cities, or towns adopt the commission-manager form of government, ~~and the~~ The terms of all municipal officers in any prior city or town ~~which may be~~ that is included in ~~such~~ the new municipal district ~~shall in like manner~~ cease and terminate as soon as the commissioners ~~shall by resolution~~ so declare adopt a resolution terminating the terms, and the corporate functions and existence of any ~~such~~ prior municipal corporation may ~~in like manner~~ be terminated by ~~said~~ the commissioners when the need for the further existence of ~~such~~ the prior corporation ~~shall be at an end~~ has ended.

(2) Whenever any group of communities, including one or more incorporated cities or towns, ~~shall become~~ becomes a single municipal district under this ~~law~~ part, ~~such~~ the municipal district ~~shall bear~~ has the same name as the principal incorporated city or town in ~~such~~ the district.

(3) Whenever any group of communities, including one or more incorporated cities or towns, ~~shall become~~ becomes a single municipal district under this ~~law~~ part, the corporate property of each ~~such~~ city or town ~~shall become~~ becomes the property of the new municipality, but improvements paid for in whole



1 or in part by special assessments upon abutting property within special improvement districts ~~shall~~ may  
2 not be ~~deemed~~ considered municipal property within the meaning of this ~~law~~ part to the extent of the  
3 special assessment payments ~~so made~~. If ~~such a~~ prior city or town ~~shall have~~ has an unpaid indebtedness,  
4 the commissioners of ~~said~~ the new municipality elected at the first municipal election shall inventory and  
5 appraise or cause to be inventoried and appraised all of ~~such~~ the property, and if the amount of the  
6 indebtedness of ~~such~~ the prior city or town ~~shall exceed~~ exceeds the inventory value of the property  
7 surrendered to the new municipality by ~~such~~ the prior city or town, then the excess of ~~such~~ the  
8 indebtedness over the inventory value of ~~said~~ the property ~~shall be~~ is a charge only against the taxable  
9 property within the limits of ~~such~~ the prior city or town and, ~~shall be~~ subject to 15-10-420, must be paid  
10 by levy upon ~~such~~ the property ~~alone~~ located within the prior city or town."

11

12 **Section 16.** Section 7-6-502, MCA, is amended to read:

13 **"7-6-502. Levy for juvenile detention programs.** (1) ~~If approved by a majority of the qualified~~  
14 ~~electors voting on the question~~ Subject to 15-10-420, a local government may impose a levy on the  
15 taxable value of all property within its jurisdiction in an amount determined by the governing body for the  
16 purpose of financing the establishment and operation of juvenile detention programs.

17 (2) Local governments may use the funds derived from a levy authorized in subsection (1) to  
18 contract with other units of local government to purchase services from available juvenile detention  
19 programs consistent with the purposes of the levy as stated in subsection (1)."

20

21 **Section 17.** Section 7-6-2301, MCA, is amended to read:

22 **"7-6-2301. Construction of part.** This part ~~shall~~ may not be construed to create any new fund or  
23 funds or to authorize a levy to be made for any fund in excess of the limitation ~~now prescribed by existing~~  
24 ~~law or acts amendatory thereof~~ contained in 15-10-420."

25

26 **Section 18.** Section 7-6-2314, MCA, is amended to read:

27 **"7-6-2314. Classification of estimates, appropriations, and expenditures -- exception.** (1) In the  
28 tabulation required by 7-6-2313, the estimates, appropriations, and expenditures must be classified as:

29 (a) salaries and wages;

30 (b) maintenance and operation;

1 (c) capital outlay;

2 (d) interest and debt redemption;

3 (e) miscellaneous; and

4 (f) expenditures proposed to be made from bond issues not yet authorized or from the proceeds  
5 of a tax levy or levies that are required to be submitted to and approved at an election to be held ~~later~~ as  
6 provided in [section 2].

7 (2) (a) Within the general class of salaries and wages, each salary must be set forth separately,  
8 together with the title or position of the recipient. An unitemized appropriation may be made to cover the  
9 expenses of special deputies or assistants in any office where the services of the special deputies or  
10 assistants may be required during a part of the fiscal year only. Wages for day labor may be given in totals  
11 by designating the general purpose or object for which the expenditure is to be made, but the proposed  
12 rate per day for each class or kind of labor must be set forth.

13 (b) Expenditures under the general class of maintenance and operation must be classified  
14 according to a standard classification to be established by the department of commerce.

15 (c) Expenditures for capital outlay must set forth and describe each object of expenditure  
16 separately.

17 (d) Under the general class of interest and debt redemption, proposed expenditures for interest  
18 and for redemption of principal must be set forth separately for each series or issue of bonds, and warrant  
19 interest and redemption requirements must be set forth in a similar manner.

20 (e) Under the general class of miscellaneous, expenditures for all purposes not listed in or that  
21 cannot properly be assigned to any of the general classes must be set forth and itemized in detail.

22 (3) This section does not apply to a county that has adopted the alternative accounting method  
23 provided for in Title 7, chapter 6, part 6."  
24

25 **Section 19.** Section 7-6-2319, MCA, is amended to read:

26 **"7-6-2319. Determination of fund requirements to be met by tax levy -- exception.** (1) Following  
27 the determinations required by 7-6-2318, the board shall determine the amount to be raised by tax levy  
28 for each fund by adding the cash balance in the fund at the close of the preceding fiscal year and the  
29 amount of the estimated revenue to accrue to the fund during the current fiscal year. It shall then deduct  
30 the total amount obtained from the total amount of the appropriations and authorized expenditures from

the fund as determined by the board. The amount remaining is the amount necessary to be raised for the fund by tax levy during the current fiscal year.

(2) The board may add to the amount necessary to be raised for any fund by tax levy during the current fiscal year an additional amount as a reserve to meet expenditures to be made from the fund during the months of July to November of the next fiscal year. The amount that may be added to any fund as the reserve may not exceed one-third of the total amount appropriated and authorized to be spent from the fund during the current fiscal year, after deducting from the amount of the appropriations and authorized expenditures the total amount appropriated and authorized to be spent for election expenses and payment of emergency warrants.

(3) The total amount to be raised by tax levy for any fund during the current fiscal year, including the amount of the reserve and any amount for payment of election expenses and emergency warrants, may not exceed the total amount that may be raised for the fund by a tax levy ~~that does not exceed the maximum levy permitted by law to be made for the fund and~~ that complies with 15-10-420.

(4) This section does not apply to a county that has adopted the alternative accounting method provided for in Title 7, chapter 6, part 6."

~~SECTION 17. SECTION 7-6-2324, MCA, IS AMENDED TO READ:~~

~~"7-6-2324. Limitations on appropriations after budget adopted -- exception. (1) The estimates of expenditures, itemized and classified as required in 7-6-2313 and 7-6-2314 and as finally fixed and adopted and as may be amended as provided in 7-6-2320 by the board of county commissioners, constitutes the appropriations for the county for the fiscal year intended to be covered by the estimates.~~

~~(2) Except as provided in 3-5-404, 7-6-2325, and 7-31-2101, the county commissioners and every other county official, including judges of the district court, is are limited in the making of expenditures or incurring of liabilities to the amount of the detailed appropriations and classifications, respectively.~~

~~(3) This section does not apply to a county that has adopted the alternative accounting method provided for in Title 7, chapter 6, part 6."~~

**Section 20.** Section 7-6-2328, MCA, is amended to read:

**"7-6-2328. Restriction on tax-financed expenditures if voter approval of tax levy required.** Where

1 ~~any~~ When an expenditure program is to be financed from a tax levy required to be authorized and approved  
2 at an election as provided for in [section 2], ~~no an expenditure shall~~ may not be made or an obligation  
3 incurred ~~thereunder~~ until such the levy is ~~so~~ authorized and approved."

4

5 **Section 21.** Section 7-6-2329, MCA, is amended to read:

6 **"7-6-2329. Procedure when unpaid and outstanding warrants exist at end of fiscal year.** (1) When  
7 at the end of ~~any a~~ fiscal year ~~any a~~ county has outstanding registered emergency warrants against ~~any~~  
8 ~~a~~ fund issued by reason of ~~any an~~ emergency budget ~~or budgets~~ and is without sufficient cash in such that  
9 fund to pay the ~~same with~~ registered warrants plus interest ~~thereon~~, the board of county commissioners  
10 ~~must shall~~, in the annual budget for such that fund for the ~~immediately~~ following fiscal year, make an  
11 appropriation sufficient to pay such the registered warrants ~~with the plus~~ interest ~~thereon~~.

12 (2) When at the end of ~~any a~~ fiscal year ~~any a~~ county has warrants outstanding and registered  
13 against ~~any a~~ fund, other than warrants issued by reason of any emergency budget ~~or budgets~~, and is  
14 without sufficient cash in such that fund to pay the ~~same with~~ registered warrants plus interest ~~thereon~~,  
15 the board ~~must shall~~, in the annual budget for such that fund for the ~~immediately~~ following fiscal year,  
16 make an appropriation to pay such the registered warrants or a substantial part ~~thereof with the~~ of the  
17 registered warrants plus interest ~~thereon~~. The amount of such the appropriation ~~shall must~~ be ~~fixed and~~  
18 determined by the board, ~~but must, in any event, be at least 10% of the amount which might be collected~~  
19 ~~by a maximum levy for such fund if the amount of such outstanding and registered warrants, with interest~~  
20 ~~thereon, equals or exceeds such amount.~~

21 (3) ~~None of the provisions of this~~ This section shall may not be construed as authorizing a levy  
22 to be made ~~for any fund in excess of the limitation prescribed by existing law or acts hereafter enacted~~  
23 ~~amendatory thereof~~ contained in 15-10-420."

24

25 **Section 22.** Section 7-6-2345, MCA, is amended to read:

26 **"7-6-2345. Use of emergency warrants.** (1) All emergency expenditures ~~shall must~~ be made by  
27 the issuance of emergency warrants drawn against the fund or funds properly chargeable with such the  
28 expenditures. The county treasurer ~~is authorized and directed to may~~ pay such emergency warrants with  
29 any money ~~in such fund or funds available for such that~~ purpose. If at any time there ~~shall not be sufficient~~  
30 is insufficient money available ~~in such fund or funds~~ to pay such the warrants, then such the warrants ~~shall~~

1 must be registered, bear interest, and be called in for payment in the manner provided by law for other  
2 county warrants.

3 (2) The county clerk and recorder shall include in ~~his~~ the annual tabulation ~~to be~~ submitted to the  
4 board of county commissioners the total amount of emergency warrants issued during the preceding fiscal  
5 year. Subject to the provisions of subsection (3), the county commissioners shall, in their tax levies,  
6 include a levy for each fund sufficient to raise an amount equal to the total amount of ~~such~~ registered  
7 warrants, ~~if there be any,~~ remaining unpaid at the close of ~~such~~ the preceding fiscal year because of  
8 insufficient money ~~in such fund~~ to pay the ~~same~~ registered warrants.

9 (3) (a) ~~No~~ A levy ~~shall~~ may not be made ~~for any fund~~ in excess of the levy ~~authorized by law to~~  
10 ~~be made therefor~~ limitation provided for in 15-10-420.

11 (b) The board may submit the question of funding ~~such~~ emergency warrants at any election as  
12 provided by law, and if at ~~any such~~ the election the ~~issuing~~ issuance of ~~such~~ funding bonds ~~be is~~  
13 authorized, ~~it shall not then be necessary for any~~ a levy is not required to be made for the purpose of  
14 paying ~~such~~ the emergency warrants."

15

16 ~~Section 23. Section 7-6-2348, MCA, is amended to read:~~

17 ~~"7-6-2348. Budgets of appointed boards and commissions -- exemption for bonds. (1) With~~  
18 ~~Subject to 7-6-2502 and with respect to tax and fee money, the proposed budget of and the number of~~  
19 ~~mills to be assessed by any board, commission, or other governing entity, except a board of trustees of~~  
20 ~~a public library and an airport authority, appointed by a local government are subject to approval by that~~  
21 ~~local government.~~

22 ~~(2) If a board, commission, or other governing entity, other than a port authority created under~~  
23 ~~Title 7, chapter 14, part 11, issues bonds and pledges to the payment of the bonds, those taxes, revenue,~~  
24 ~~or fees in accordance with the statutes authorizing the issuance of the bonds, the taxes, revenue, or fees~~  
25 ~~and the levy or appropriation of the taxes, revenue, or fees are not subject to approval by the local~~  
26 ~~government appointing the board, commission, or governing entity."~~

27

28 **Section 23.** Section 7-6-2501, MCA, is amended to read:

29 **"7-6-2501. Authorization for county mill levy.** Subject to 15-10-420, the board of county  
30 commissioners may levy a tax annually on the taxable property of the county for county purposes ~~as may~~

1 ~~be that is~~ necessary to defray current expenses ~~not exceeding 27 mills on each dollar of the taxable~~  
2 ~~valuation for any 1 year for counties of the fourth, fifth, sixth, and seventh classes and 25 mills on each~~  
3 ~~dollar of the taxable valuation for any 1 year for counties of the first, second, and third classes and may~~  
4 ~~levy taxes as that~~ are required to be levied by special or local statutes."

5

6 ~~Section 25. Section 7-6-2502, MCA, is amended to read:~~

7 ~~"7-6-2502. Responsibility of county commissioners to fix tax rate and levy tax. (1) Subject to~~  
8 ~~15-10-420, the board of county commissioners of each county shall, on the second Monday in August,~~  
9 ~~fix the rate of county taxes and designate the number of mills on each dollar of valuation of property for~~  
10 ~~each fund and shall levy taxes upon the taxable property of the county.~~

11 ~~(2) The board of county commissioners has the final authority to fix the rate of taxation and~~  
12 ~~designate the number of mills to be levied for the benefit of all miscellaneous taxing jurisdictions that~~  
13 ~~collect ad valorem taxes within the county and that are not included in a city or town. The miscellaneous~~  
14 ~~taxing jurisdictions referred to in this subsection include but are not limited to soil and water conservation~~  
15 ~~districts, rodent control districts, pest control districts, mosquito control districts, library districts, and rural~~  
16 ~~fire districts."~~

17

18 **Section 24.** Section 7-6-2511, MCA, is amended to read:

19 **"7-6-2511. County levy for district court expenses.** Subject to 15-10-420, the governing body  
20 of each county may each year levy and collect a tax on the taxable property of the county for all COUNTY  
21 district court costs, except those listed in 3-5-211, 3-5-213, and 3-5-215. ~~The tax may not exceed 6 mills~~  
22 ~~in the first- and second-class counties, 5 mills in third- and fourth-class counties, and 4 mills in fifth-,~~  
23 ~~sixth-, and seventh-class counties.~~ District court costs include but are not limited to salary and benefits  
24 for court clerks, court reporters, youth probation officers, and other employees of the district court."

25

26 **Section 25.** Section 7-6-2512, MCA, is amended to read:

27 **"7-6-2512. County tax levy for health care facilities.** (1) Subject to 15-10-420, the board of  
28 county commissioners may, annually at the time of levying county taxes, fix and levy a tax, ~~not to exceed~~  
29 ~~40 mills on each dollar of taxable valuation of property,~~ upon all property within the county to erect,  
30 furnish, equip, expand, improve, maintain, and operate county-owned or county-operated health care

facilities created under 7-8-2102, 7-34-2201, and 7-34-2502. "Health care facilities" as used in this section has the meaning as defined in 7-34-2201. ~~The combined total number of mills levied under this section and for the county poor fund under 53-2-322 may not exceed 18 mills. A higher levy may be made upon compliance with 7-6-2531 through 7-6-2537, 15-10-420, or 53-2-322.~~ If a hospital district is created under Title 7, chapter 34, part 21, the mill levy authorized by this section may not be imposed on property within that hospital district.

(2) If a county issues bonds under 7-34-2411 to finance or refinance the costs of a health care facility, the board of county commissioners may covenant to levy the tax authorized by this section during the term of the bonds, to the extent necessary, and to apply the collections of the tax to the costs of erecting, furnishing, equipping, expanding, improving, maintaining, and operating the health care facility or facilities of the county or the payment of principal of or interest on the bonds. The pledge of the taxes to the payment of the bonds may not cause the bonds to be considered indebtedness of the county for the purpose of any statutory limitation or restriction. The pledge may be made by the board only upon authorization of a majority of the electors of the county voting on the pledge at a general or special election as provided in 7-34-2414."

**Section 26.** Section 7-6-2522, MCA, is amended to read:

**"7-6-2522. All-purpose levy --maximum.** (1) ~~The~~ SUBJECT TO 15-10-420, THE all-purpose levy is an annual levy upon the taxable value of all property in the county subject to taxation for county purposes in lieu of the levies specified in 7-6-2523. ~~Subject to 15-10-420, the all-purpose levy may not exceed the lesser of:~~

~~—— (a) 55 mills on the dollar; or~~

~~—— (b) the total number of mills levied in the prior year pursuant to the levies set forth in 7-6-2523 as certified by the department of revenue under 15-10-202.~~

(2) If the county governing body determines that the interests of the county would be served by an all-purpose levy, it shall specify its intent to impose the all-purpose levy in the resolution approving and adopting the annual budget."

~~**Section 28.** Section 7-6-2523, MCA, is amended to read:~~

~~**"7-6-2523. Special service levies replaced by all-purpose mill levy.** A county using the all-purpose~~

1 ~~mill levy may not impose any of the following levies:~~

2 ~~—— (1) general fund levy, as provided in 7-6-2501;~~

3 ~~—— (2) bridge levy, as provided in 7-14-2502;~~

4 ~~—— (3) recreation levy, as provided in 7-16-101;~~

5 ~~—— (4) county fair levy, as provided in 7-21-3410;~~

6 ~~—— (5) weed levy, as provided in 7-22-2142;~~

7 ~~—— (6) insect pest levy, as provided in 7-22-2306;~~

8 ~~—— (7) poor fund levy, as provided in 53-2-322; or~~

9 ~~—— (8)(7) developmental disabilities facility levy, as provided in 53-20-208."~~

10

11 **SECTION 27. SECTION 7-6-2523, MCA, IS AMENDED TO READ:**

12 **"7-6-2523. Special service levies replaced by all-purpose mill levy.** A county using the all-purpose

13 mill levy may not impose any of the following levies:

14 (1) general fund levy, as provided in 7-6-2501;

15 (2) bridge levy, as provided in 7-14-2502;

16 (3) recreation levy, as provided in 7-16-101;

17 (4) county fair levy, as provided in 7-21-3410;

18 (5) weed levy, as provided in 7-22-2142;

19 (6) insect pest levy, as provided in 7-22-2306;

20 ~~(7) poor fund levy, as provided in 53-2-322; or~~

21 ~~(8)(7) developmental disabilities facility levy, as provided in 53-20-208."~~

22

23 **Section 28. Section 7-6-2541, MCA, is amended to read:**

24 **"7-6-2541. County detention center inmate medical costs.** ~~(4)~~ The board of county commissioners  
25 shall budget and expend funds for inmate medical care, including but not limited to costs of providing  
26 direct medical care, medication, medical services, hospitalization, insurance premiums, self-insured  
27 coverage, or contracted services for expenses that must be borne by the county for inmates confined in  
28 a county detention center as provided for in 7-32-2222.

29 ~~(2) If approved at a tax election by a majority of the qualified electors voting on the question, the~~  
30 ~~board may levy up to 2 mills on the taxable value of all property within its jurisdiction for the purpose of~~



1 subsection (1)."

2

3 **Section 29.** Section 7-6-4134, MCA, is amended to read:

4 **"7-6-4134. Capital improvement program fund.** An amount not to exceed 10% of the money  
5 received from an all-purpose mill levy provided for in ~~7-6-4452~~ 7-6-4451 may be placed in a separate fund,  
6 known as the capital improvement program fund, ~~to be earmarked~~ The capital improvement program fund  
7 may be used for the replacement, improvement, and acquisition of property, facilities, or equipment;  
8 ~~provided that if~~ if a capital improvement program has been formally adopted by resolution of the city or town  
9 governing body."

10

11 **Section 30.** Section 7-6-4238, MCA, is amended to read:

12 **"7-6-4238. Restriction on tax-financed expenditures if voter approval of tax levy required.** ~~Where~~  
13 ~~any~~ When an expenditure program is to be financed from a tax levy required to be authorized and approved  
14 at an election as provided in [section 2], no an expenditure ~~shall~~ may not be made or obligation incurred  
15 ~~thereunder until such the~~ the levy is ~~so~~ authorized and approved."

16

17 ~~Section 33.~~ Section 7-6-4259, MCA, is amended to read:

18 ~~"7-6-4259. Budgets of appointed boards and commissions -- exemption for bonds. (1) Subject to~~  
19 ~~15-10-420 and with respect to tax and fee money, the proposed budget of and the number of mills to be~~  
20 ~~assessed by any board, commission, or other governing entity, except a board of trustees of a public~~  
21 ~~library and an airport authority, appointed by a local government are subject to approval by that local~~  
22 ~~government.~~

23 ~~(2) If a board, commission, or other governing entity, other than a port authority created under~~  
24 ~~Title 7, chapter 14, part 11, issues bonds and pledges to the payment of the bonds those taxes, revenue,~~  
25 ~~or fees in accordance with the statutes authorizing the issuance of the bonds, the taxes, revenue, or fees~~  
26 ~~and the levy or appropriation of the taxes, revenue, or fees are not subject to approval by the local~~  
27 ~~government appointing the board, commission, or governing entity."~~

28

29 **Section 31.** Section 7-6-4261, MCA, is amended to read:

30 **"7-6-4261. Determination of fund requirements to be met by tax levy.** (1) Following the

1 determinations required by 7-6-4260, the governing body shall determine the amount to be raised for each  
2 fund for which a tax levy is to be made by adding the cash balance in excess of outstanding unpaid  
3 warrants at the close of the preceding fiscal year and the amount of the estimated revenue, if any, to  
4 accrue to the fund during the current fiscal year. It shall then deduct the total amount obtained from the  
5 total amount of the appropriations and authorized expenditures from the fund as determined by the  
6 governing body in the budget adopted and approved. The amount remaining is the amount necessary to  
7 be raised for any fund by tax levy during the current fiscal year.

8 (2) Subject to 15-10-420, the governing body may add to the amount necessary to be raised for  
9 any fund by tax levy during the current fiscal year an additional amount as a reserve to meet expenditures  
10 to be made from the fund during the months of July to November of the next fiscal year. The undesignated  
11 amount held as a reserve may not exceed one-half of the total amount appropriated and authorized to be  
12 spent from the fund during the current fiscal year, after deducting from the amount of the appropriations  
13 and authorized expenditures the total amount appropriated and authorized to be spent for election  
14 expenses and payment of emergency and other outstanding warrants.

15 ~~(3) The total amount to be raised by tax levy for any fund during the current fiscal year, including~~  
16 ~~the amount of the reserve, may not exceed the total amount that may be raised for the fund by a tax levy~~  
17 ~~that does not exceed the maximum levy permitted by law to be made for the fund.~~

18 ~~(4)(3)~~ This section does not apply to a municipality that has adopted the alternative accounting  
19 method provided for in Title 7, chapter 6, part 6."  
20

21 **Section 32.** Section 7-6-4272, MCA, is amended to read:

22 **"7-6-4272. Emergency expenditures.** (1) All emergency expenditures must be charged to the  
23 emergency budget appropriations adopted by a three-fourths majority of the members present at a meeting  
24 of a governing body.

25 (2) Emergency expenditures may be made by the issuance of checks or warrants drawn on the  
26 municipal treasury. The municipality is authorized and directed to pay the checks or warrants with any  
27 money available for that purpose. If at any time there is insufficient money available to pay the emergency  
28 expenditures, then emergency warrants must be issued and registered, must bear interest, and must be  
29 called for payment in the manner provided by law for other municipal warrants.

30 (3) The finance officer shall include in the preliminary annual operating budget to be submitted to

the governing body the total amount of emergency warrants issued during the preceding fiscal year that remain unpaid. Subject to the provisions of 15-10-420 and this section, the governing body shall, in the tax levies, include a levy for each fund sufficient to raise an amount equal to the total amount of any emergency warrants remaining unpaid at the close of the preceding fiscal year because of insufficient money in the fund to pay the warrants.

~~(4) (a) A levy may not be made for any fund in excess of the levy authorized by law to be made for the fund.~~

~~(b)~~ The governing body may submit the question of funding the emergency warrants at an election as provided by ~~law~~ [section 2]. If possible, the election must be held in conjunction with a regular or primary election. If at the election ~~issuing~~ the issuance of funding bonds is authorized, it is not necessary for any levy to be made for the purpose of paying the emergency warrants.

(5) This section does not apply to a municipality that has adopted the alternative accounting method provided for in Title 7, chapter 6, part 6."

**Section 33.** Section 7-6-4431, MCA, is amended to read:

**"7-6-4431. Authorization to exceed maximum mill levy -- election required.** The governing body of a municipality may raise money by taxation for the support of municipal government services, facilities, or other capital projects in excess of the levy ~~or levies~~ allowed by ~~law~~ 15-10-420 under the following conditions:

(1) The governing body ~~must~~ shall pass a resolution indicating its intent to exceed the current statutory mill levy limit on the approval of a majority of the qualified electors voting in an election under subsection (2). The resolution must include:

(a) the specific purpose for which the additional money will be used;

(b) the specific dollar amount to be raised; and

(c) the approximate number of mills required; ~~and~~

~~(d) the specific mill levy limitation to be exceeded.~~

(2) The governing body ~~must~~ shall submit the question of the additional mill levy to the qualified electors of the municipality at ~~the next regular primary or general election on either odd-numbered or even-numbered years~~ an election as provided in [section 2]. The question may not be submitted more than once in any calendar year. If the majority of voters voting on the question ~~are~~ is in favor of the additional

1 levy or levies, the governing body is authorized to ~~exceed~~ impose the statutory mill levy limit in the amount  
2 specified in the resolution ~~for a period not to exceed 2 years.~~"

3

4 **Section 34.** Section 7-6-4451, MCA, is amended to read:

5 **"7-6-4451. All-purpose mill levy authorized.** It is the purpose of 7-6-4451 and 7-6-4453 through  
6 7-6-4455 to authorize ~~and empower~~ the cities and towns of Montana, ~~at their option~~, to make an  
7 all-purpose annual mill levy in lieu of the multiple levies ~~now~~ authorized by the statutes of Montana."

8

9 **Section 35.** Section 7-6-4453, MCA, is amended to read:

10 **"7-6-4453. Certain special mill levies also available.** (1) The all-purpose mill levy does not include  
11 the levies imposed for bonded indebtedness, to pay judgments or tax protest refunds, or for special  
12 improvement district revolving funds of municipalities. Subject to 15-10-420, additional levies may be  
13 made in addition to the all-purpose mill levy, as provided in subsection (2). Sections 7-6-4451, ~~through~~  
14 7-6-4454, 7-6-4455, and this section may not be construed as repealing those statutes providing for  
15 multiple separate levies.

16 (2) Extraordinary levies otherwise authorized to pay for bonded indebtedness, judgments, tax  
17 protest refunds, or special improvement district revolving funds may be made by municipalities in addition  
18 to the all-purpose mill levy provided for in 7-6-4451, 7-6-4454, through 7-6-4455, and this section.

19 ~~(3) In a third-class city or town, the all-purpose mill levy may not include the special tax levy for~~  
20 ~~the firefighters' disability and pension fund provided for in 19-18-503. This special tax levy must be made~~  
21 ~~in addition to the all-purpose mill levy."~~

22

23 **Section 36.** Section 7-6-4455, MCA, is amended to read:

24 **"7-6-4455. Changes from all-purpose mill levy method.** Any municipality electing to follow the  
25 all-purpose mill levy method provided for in ~~7-6-4452 shall be~~ 7-6-4451 is bound by that election during  
26 the ensuing fiscal year but may abandon ~~such~~ the all-purpose mill levy method in succeeding fiscal years."

27

28 **Section 37.** Section 7-7-2202, MCA, is amended to read:

29 **"7-7-2202. Authority to issue general obligation bonds to satisfy judgments.** (1) The board of  
30 county commissioners of every county of the state ~~is hereby vested with the power and authority to~~ may

1 issue, negotiate, and sell coupon bonds on the credit of the county, as ~~more specifically~~ provided in this  
2 part, for the purpose of funding, paying in full, or compromising, settling, and satisfying any judgment  
3 ~~which may have been~~ rendered against the county in a court of competent jurisdiction, including the  
4 repayment of tax protests lost by the county, when:

5 ~~— (a) there are not sufficient funds available to pay such the judgment; and~~

6 ~~— (b) sufficient money cannot be raised to satisfy such the judgment by an annual tax levy of 10~~  
7 ~~mills levied on all the taxable property within the county through a period of 3 years.~~

8 (2) The resolution providing for the ~~issue~~ issuance of ~~such the~~ bonds must recite the facts  
9 concerning the judgment to be funded and the terms of any compromise agreement ~~which may have been~~  
10 entered into between the board and the judgment creditor."

11  
12 **Section 38.** Section 7-7-2206, MCA, is amended to read:

13 **"7-7-2206. Term of general obligation bonds.** (1) Bonds issued for any of the purposes designated  
14 in 7-7-2201(1) through (4) may not be for a longer term than 20 years.

15 (2) Bonds issued for any of the purposes designated in 7-7-2201(5) and (6) may not be for a  
16 longer term than 10 years.

17 (3) Bonds issued for any of the purposes designated in 7-7-2202 may not be for a longer term  
18 ~~than will be required to repay the bonds with interest through a tax levy of 10 mills on all the property~~  
19 ~~within the county subject to taxation, and the term may not exceed 20 years.~~

20 (4) The length of the term required must be estimated and calculated by the board of county  
21 commissioners, based upon the percentage of valuation of the property upon which taxes are levied and  
22 paid within the county as ascertained from the ~~last completed~~ last-completed assessment for state and  
23 county taxes, taking into account probable changes in the taxable valuation and losses in tax collections.  
24 Irrespective of any miscalculation by the county commissioners in fixing the term of the bonds, the county  
25 shall from year to year make a sufficient tax levy to pay the interest and installments on principal on the  
26 bonds as the ~~same fall~~ payments are due.

27 (5) For purposes of this section, the term of a bond issue commences on July 1 of the fiscal year  
28 in which the county first levies taxes to pay principal and interest on the bonds."

29  
30 **Section 39.** Section 7-7-2303, MCA, is amended to read:

**"7-7-2303. Term of refunding general obligation bonds.** (1) (a) The following term limitations ~~as to term shall~~ apply to all bonds issued under 7-7-2301(1). Except as provided in subsection (1)(b), ~~no~~ bonds ~~shall~~ may not be issued for a longer term than 10 years.

(b) (i) If the unexpired term of the bonds to be refunded ~~shall be~~ is more than 10 years, the refunding bonds may be issued for ~~such~~ the unexpired term.

(ii) ~~If such 10-year term will require an annual tax levy for payment of such refunding bonds exceeding 10 mills on all property subject to taxation in the county, the term may be so extended as to reduce the required annual levy to 10 mills; provided, however, that the term shall not under any circumstances exceed 20 years.~~

(2) Bonds issued for any of the purposes designated in 7-7-2301(2) ~~shall~~ may not be for a longer term than ~~will be required to repay the bonds with interest through a tax levy of 10 mills on all the property within the county subject to taxation, and the term shall not exceed 20 years.~~

(3) The length of the term required ~~shall~~ must be estimated and calculated by the board of county commissioners, based upon the percentage of valuation of the property upon which taxes are levied and paid within ~~such~~ the county as ascertained from the ~~last completed~~ last-completed assessment for state and county taxes, taking into account probable changes in the taxable valuation and losses in tax collections. Irrespective of any miscalculation by the county commissioners in fixing the term of the bonds, the county ~~must~~ shall from year to year make a sufficient tax levy to pay the interest and installments on principal on the bonds as the ~~same fall~~ payments are due."

~~Section 40. Section 7-12-1132, MCA, is amended to read:~~

~~"7-12-1132. Annual budget and work plan -- approval -- procedure -- tax. (1) At a time determined by the governing body, the board shall submit to the governing body for approval a work plan and budget for the ensuing fiscal year.~~

~~(2) Following public notice that a work plan and budget have been submitted and that the governing body will levy an assessment to defray the cost of the work plan and budget, the governing body shall hold a public hearing on objections to the work plan and budget. After the hearing, the governing body may modify the work plan and budget as it considers necessary and appropriate.~~

~~(3) After approval of the work plan and budget and to defray the cost thereof of the work plan and budget for the next fiscal year, the governing body shall, by resolution and subject to 15-10-420, levy~~

1 an assessment upon all of the property in the district using as a basis one of the methods prescribed in  
2 7-12-1133.

3 ~~—— (4) A copy of the resolution shall must be delivered to the treasurer of the local government to~~  
4 ~~be placed on the tax roll and collected in the same manner as other taxes."~~

5

6 ~~—— **Section 44.** Section 7-12-2105, MCA, is amended to read:~~

7 ~~—— **"7-12-2105. Notice of resolution of intention to create district -- hearing.** (1) Upon having passed~~  
8 ~~passage of the resolution of intention pursuant to 7-12-2103, the board of county commissioners shall~~  
9 ~~publish notice of the passage of the resolution of intention as provided in 7-1-2121.~~

10 ~~—— (2) A copy of the notice must be mailed, as provided in 7-1-2122, to each person, firm, or~~  
11 ~~corporation or the agent of the person, firm, or corporation owning real property within the proposed~~  
12 ~~district listed in the owner's name upon the last completed assessment roll for state, county, and school~~  
13 ~~district taxes.~~

14 ~~—— (3) (a) The notice must describe the general character of the improvement or improvements~~  
15 ~~proposed to be made or acquired by purchase, state the estimated cost of the improvements, describe~~  
16 ~~generally the method or methods by which the costs of the improvements will be assessed, and designate~~  
17 ~~the time when and the place where the board will hear and pass upon all protests that may be made~~  
18 ~~against the making or maintenance of the improvements or the creation of the district.~~

19 ~~—— (b) If the revolving fund is to be pledged to secure the payment of bonds and warrants, the notice~~  
20 ~~must include a statement that, subject to the limitations in 7-12-2182:~~

21 ~~—— (i) the county general fund may be used to provide loans to the revolving fund; or~~

22 ~~—— (ii) a general tax levy may be imposed, subject to 15-10-420, on all taxable property in the county~~  
23 ~~to meet the financial requirements of the revolving fund.~~

24 ~~—— (c) The notice must refer to the resolution on file in the office of the county clerk for the~~  
25 ~~description of the boundaries. If the proposal is for the purchase of an existing improvement, the notice~~  
26 ~~must state the exact purchase price of the existing improvement."~~

27

28 ~~—— **Section 45.** Section 7-12-2158, MCA, is amended to read:~~

29 ~~—— **"7-12-2158. Resolution for levy and assessment of tax.** (1) To defray the cost of making or~~  
30 ~~acquiring improvements in any special improvement district, the board of county commissioners shall, by~~

~~resolution and subject to 15-10-420, levy and assess a tax upon all benefited property in the district created for such the improvement purpose, by using for a basis for such the assessment the method or methods provided for by this part and described in the resolution of intention.~~

~~——— (2) Such The resolution shall must contain a description of each lot or parcel of land, with the name of the owner if known, and the amount of each partial payment, when to be made, and the day when the same shall payment will become delinquent.~~

~~——— (3) Such The resolution, signed by the chairman presiding officer of the board, shall must be kept on file in the office of the county clerk."~~

~~——— Section 46. Section 7-12-2182, MCA, is amended to read:~~

~~——— "7-12-2182. Sources of money for revolving fund. (1) For the purpose of providing funds for the revolving fund, the board of county commissioners:~~

~~——— (a) shall, if the bonds or warrants are secured by the revolving fund pursuant to 7-12-2185, include in the cost of the improvements to be defrayed from the proceeds of the bonds or warrants an amount equal to 5% of the principal amount of the bonds or warrants to be issued as provided in 7-12-2153(2);~~

~~——— (b) may, from time to time, transfer to the revolving fund from the general fund of the county an amount as that may be necessary. The amount transferred is a loan from the general fund to the revolving fund.~~

~~——— (c) shall, in addition to a transfer or transfers from the general fund or in lieu of a transfer, subject to 15-10-420, levy for the revolving fund a tax, declared to be for a public purpose, on all taxable property in the county as that is necessary to meet the financial requirements of the revolving fund. A tax may not be levied if the balance in the revolving fund exceeds 5% of the principal amount of the then-outstanding rural special improvement district bonds and warrants secured by the revolving fund. If a tax is levied, the tax may not be an amount that would increase the balance in the revolving fund above 5% of the then-outstanding rural special improvement district bonds and warrants secured by the revolving fund.~~

~~——— (2) Whenever there is money in the district fund that is not required for payment of any bond or warrant of the district secured by the revolving fund or of interest on the bond or warrant, as much of the money as may be necessary to pay the loan provided for in 7-12-2183 must, by order of the board, be transferred to the revolving fund and the balance of the money or, if there is no outstanding loan, as much~~



~~of the money as the board considers necessary may be transferred to the improvement district's maintenance fund. After all the bonds and warrants secured by the revolving fund issued on any rural special improvement district have been fully paid, all money remaining in the district fund must, by order of the board, be transferred to and become part of the revolving fund or the improvement district's maintenance fund."~~

~~Section 47. Section 7-12-2185, MCA, is amended to read:~~

~~"7-12-2185. Covenants to use revolving fund -- duration of revolving fund obligation -- factors to be considered. (1) In connection with the issuance of rural special improvement district bonds or warrants, the board of county commissioners may undertake and agree:~~

~~(a) to make loans or advances from the revolving fund to the district fund involved in amounts sufficient to make good any deficiency in the bond and interest accounts, to the extent that funds are available; and~~

~~(b) to provide funds for the revolving fund pursuant to the provisions of 7-12-2182 by annually making a tax levy (or, in lieu of the tax levy, a loan from the general fund), subject to the maximum limitations imposed by 7-12-2182 and 15-10-420.~~

~~(2) (a) The undertakings and agreements are binding upon the county with respect to the rural special improvement district bonds or warrants until the earlier of:~~

~~(i) the date on which all bonds or warrants of the issue and interest on the bonds or warrants have been fully paid or discharged in a bankruptcy case in which the special improvement district is the debtor; or~~

~~(ii) the date that is the later of:~~

~~(A) the final stated maturity date of the bonds or warrants; or~~

~~(B) the date on which all special assessments levied in the district have been either paid or discharged.~~

~~(b) The discharge of delinquent special assessments levied with respect to a particular lot or parcel is considered to occur upon:~~

~~(i) the issuance of a tax deed, as provided in 15-18-214, or, if the county is the recipient of the tax deed, upon the sale, lease, or other disposition of the property by the county as provided in Title 7, chapter 8, part 22, 23, 24, or 25, or other applicable law; or~~

1 ~~———(ii) payment in full of the allowed secured claim for the special assessments in a bankruptcy case~~  
2 ~~in which the owner of the lot or parcel is the debtor.~~

3 ~~———(3) Prior to entering into the undertakings and agreements set forth in subsection (1), the board~~  
4 ~~of county commissioners shall take into consideration the following factors, including other circumstances~~  
5 ~~that the board may determine to be material to the public interest of securing the bonds or warrants by~~  
6 ~~the revolving fund:~~

7 ~~———(a) the estimated market value of the lots, parcels, or tracts included in the district at the time that~~  
8 ~~the district is created in comparison to the estimated market value of the lots, parcels, or tracts after the~~  
9 ~~improvements are made;~~

10 ~~———(b) the diversity of ownership of property in the district;~~

11 ~~———(c) the amount of the special assessments proposed to be levied against each lot, parcel, or tract~~  
12 ~~in the district in comparison to the estimated market value of the lot, parcel, or tract after the~~  
13 ~~improvements are made;~~

14 ~~———(d) the amount of any outstanding special assessments against the property in the district;~~

15 ~~———(e) the amount of delinquencies in the payment of outstanding special assessments or property~~  
16 ~~taxes levied against property in the district;~~

17 ~~———(f) the public benefit of the improvements proposed to be financed; and~~

18 ~~———(g) in the case of a district created to make improvements in a newly platted subdivision:~~

19 ~~———(i) the prior subdivision development experience and credit rating or credit history of the person~~  
20 ~~developing the land; and~~

21 ~~———(ii) any contribution by property owners to the costs of the improvements or any security given~~  
22 ~~by property owners to secure payment of special assessments levied in the district.~~

23 ~~———(4) Any findings or determinations with respect to the factors contained in subsection (3) made~~  
24 ~~by the board of county commissioners in a resolution authorizing the undertakings and agreements or the~~  
25 ~~issuance of bonds or warrants are conclusive evidence that the board has taken into consideration the~~  
26 ~~factors required by subsection (3).~~

27 ~~———(5) In lieu of the undertakings and agreements set forth in subsection (1), the board of county~~  
28 ~~commissioners may determine in the resolution authorizing the issuance of the bonds or warrants that the~~  
29 ~~revolving fund does not secure the bonds or warrants and that the bonds or warrants are payable solely~~  
30 ~~from the district fund created for the bonds or warrants and do not have a claim against the revolving~~

1 fund."

2

3 ~~Section 48.~~ Section 7-12-4106, MCA, is amended to read:

4 ~~"7-12-4106. Notice of passage of resolution of intention.~~ (1) Upon having passed passage of the  
5 resolution of intention pursuant to 7-12-4104, the council shall give notice of the passage of the resolution  
6 of intention.

7 ~~(2) The notice must be published as provided in 7-1-2121. A copy of the notice must be mailed~~  
8 ~~to each person, firm, or corporation or the agent of the person, firm, or corporation having real property~~  
9 ~~within the proposed district listed in the owner's name upon the last completed assessment roll for state,~~  
10 ~~county, and school district taxes, at the owner's last-known address, upon the same day that the notice~~  
11 ~~is first published or posted.~~

12 ~~(3) (a) The notice must describe the general character of the proposed improvements, state the~~  
13 ~~estimated cost of the improvements, describe generally the method by which the costs of the~~  
14 ~~improvements will be assessed, and designate the time when and the place where the council will hear~~  
15 ~~and pass upon all written protests that may be made against the making or acquisition of the~~  
16 ~~improvements or the creation of the district.~~

17 ~~(b) If the revolving fund is to be pledged to secure the payment of bonds and warrants, the notice~~  
18 ~~must include a statement that, subject to the limitations in 7-12-4222 and 15-10-420:~~

19 ~~(i) the general fund of the city or town may be used to provide loans to the revolving fund; or~~

20 ~~(ii) a general tax levy may be imposed on all taxable property in the city or town to meet the~~  
21 ~~financial requirements of the revolving fund.~~

22 ~~(c) The notice must refer to the resolution on file in the office of the city clerk for the description~~  
23 ~~of the boundaries. If the proposal is for the purchase of an existing improvement, the notice must state~~  
24 ~~the exact purchase price of the existing improvement."~~

25

26 ~~Section 49.~~ Section 7-12-4176, MCA, is amended to read:

27 ~~"7-12-4176. Resolution for tax levy upon district property.~~ (1) To defray the cost of making or  
28 acquiring improvements in any special improvement district or of acquiring property for opening, widening,  
29 or extending any street or alley or to defray the cost and expense of changing any grade of any street,  
30 avenue, or alley, the city council shall, by resolution and subject to 15-10-420, levy and assess a tax upon

all benefited property in any district created for such the improvement purpose, using for as a basis for assessment the method or methods set forth in 7-12-4161 through 7-12-4165 and described in the resolution of intention.

— (2) Such The resolutions shall must contain a description of each lot and parcel of land, with the name of the owner, if known, the amount of each partial payment to be made, and the day when the same shall payment will become delinquent.

— (3) Such The resolution, signed by the mayor and clerk, shall must be kept on file in the office of the city clerk."

**Section 50.** Section 7-12-4222, MCA, is amended to read:

**"7-12-4222. Sources of money for revolving fund.** (1) For the purpose of providing funds for the revolving fund, the city or town council:

— (a) may, from time to time, transfer to the revolving fund from the general fund of the city or town an amount as that may be necessary. The amount transferred is a loan from the general fund to the revolving fund.

— (b) shall, if the bonds or warrants are secured by the revolving fund pursuant to 7-12-4225, include in the cost of the improvement to be defrayed from the proceeds of the bonds or warrants an amount equal to 5% of the principal amount of the bonds or warrants as provided in 7-12-4169; and

— (c) shall, in addition to a transfer or transfers from the general fund or in lieu of a transfer, subject to 15-10-420, levy for the revolving fund a tax, declared to be for a public purpose, on all taxable property in the city or town as that is necessary to meet the financial requirements of the revolving fund. A tax may not be levied if the balance in the revolving fund exceeds 5% of the principal amount of the then-outstanding special improvement district bonds and warrants secured by the revolving fund. If a tax is levied, the tax may not be an amount that would increase the balance in the revolving fund above 5% of the then-outstanding special improvement district bonds and warrants secured by the revolving fund.

— (2) Whenever there is money in the district fund that is not required for payment of any bond or warrant of the district secured by the revolving fund or of interest on the bond or warrant, as much of the money as may be necessary to pay the loan provided for in 7-12-4223 must, by order of the council, be transferred to the revolving fund. After all the bonds and warrants issued on any special improvement district or sidewalk, curb, and alley approach warrants secured by the revolving fund have been fully paid,

all money remaining in the district fund must, by order of the council, be transferred to and become part of the revolving fund."

~~Section 51. Section 7-12-4225, MCA, is amended to read:~~

~~"7-12-4225. Covenants to use revolving fund -- duration of revolving fund obligation -- factors to be considered. (1) In connection with the issuance of special improvement district bonds or sidewalk, curb, and alley approach warrants, the city or town council may undertake and agree:~~

~~(a) to make loans or advances from the revolving fund to the district fund involved in amounts sufficient to make good any deficiency in the bond and interest accounts, to the extent that funds are available; and~~

~~(b) to provide funds for the revolving fund pursuant to the provisions of 7-12-4222(1) by annually making a tax levy (or, in lieu of the tax levy, a loan from the general fund), subject to the maximum limitations imposed by 7-12-4222(1) and 15-10-420.~~

~~(2) The undertakings and agreements referred to in subsection (1) are binding upon the city or town with respect to the special improvement district bonds or sidewalk, curb, and alley approach warrants until the earlier of:~~

~~(a) the date on which all bonds or warrants of the issue and interest on the bonds or warrants have been fully paid or discharged in a bankruptcy case in which the special improvement district is the debtor; or~~

~~(b) the date that is the later of:~~

~~(i) the final stated maturity date of the bonds or warrants; or~~

~~(ii) the date on which all special assessments levied in the district have been either paid or discharged.~~

~~(3) The discharge of delinquent special assessments levied with respect to a particular lot or parcel is considered to have occurred upon:~~

~~(a) the issuance of a tax deed, as provided in 15-18-214, or, if the county is the recipient of the tax deed, upon the sale, lease, or other disposition of the property by the county as provided in Title 7, chapter 8, part 22, 23, 24, or 25, or other applicable law;~~

~~(b) the discharge of the trust pursuant to 15-17-318 or upon the sale or lease of the property under 15-17-319 if the property in the district has been assigned to the city or town under Title 15,~~

1 ~~chapter 17, part 3; or~~  
2 ~~——— (c) payment in full of the allowed secured claim for the special assessments in a bankruptcy case~~  
3 ~~in which the owner of the lot or parcel is the debtor.~~  
4 ~~——— (4) Prior to entering into the undertakings and agreements set forth in subsection (1), the city or~~  
5 ~~town council shall take into consideration the following factors, including other circumstances that the city~~  
6 ~~or town council may determine to be material to the public interest of securing the bonds or warrants by~~  
7 ~~the revolving fund:~~  
8 ~~——— (a) the estimated market value of the lots, parcels, or tracts included in the district at the time that~~  
9 ~~the district is created in comparison to the estimated market value of the lots, parcels, or tracts after the~~  
10 ~~improvements are made;~~  
11 ~~——— (b) the diversity of ownership of property in the district;~~  
12 ~~——— (c) the amount of the special assessments proposed to be levied against each lot, parcel, or tract~~  
13 ~~in the district in comparison to the estimated market value of the lot, parcel, or tract after the~~  
14 ~~improvements are made;~~  
15 ~~——— (d) the amount of any outstanding special assessments against the property in the district;~~  
16 ~~——— (e) the amount of delinquencies in the payment of outstanding special assessments or property~~  
17 ~~taxes levied against property in the district;~~  
18 ~~——— (f) the public benefit of the improvements proposed to be financed; and~~  
19 ~~——— (g) in the case of a district created to make improvements in a newly platted subdivision:~~  
20 ~~——— (i) the prior subdivision development experience and credit rating or credit history of the person~~  
21 ~~developing the land; and~~  
22 ~~——— (ii) any contribution by property owners to the costs of the improvements or any security given~~  
23 ~~by property owners to secure payment of special assessments levied in the district.~~  
24 ~~——— (5) Any findings or determinations with respect to the factors contained in subsection (4) made~~  
25 ~~by the city or town council in a resolution authorizing the undertakings and agreements or the issuance~~  
26 ~~of bonds or warrants are conclusive evidence that the city or town council has taken into consideration~~  
27 ~~the factors required by subsection (4).~~  
28 ~~——— (6) In lieu of the undertakings and agreements set forth in subsection (1), the city or town council~~  
29 ~~may determine in the resolution authorizing the issuance of the bonds or warrants that the revolving fund~~  
30 ~~does not secure the bonds or warrants and that the bonds or warrants are payable solely from the district~~

1 fund created for the bonds or warrants and do not have a claim against the revolving fund."

2

3 ~~Section 52.~~ Section 7-13-124, MCA, is amended to read:

4 ~~"7-13-124. Resolution to assess and levy tax for making improvements.~~ (1) To defray the cost  
5 of making improvements in any special improvement district, the board of county commissioners shall, by  
6 resolution and subject to 15-10-420, levy and assess a tax upon all property in the district created for such  
7 the improvement purpose, by using for a basis for such the assessment the method provided for by this  
8 part.

9 ~~(2) Such The resolution shall must contain a description of each lot or parcel of land, with the~~  
10 ~~name of the owner if known, and the amount of each partial payment when to be made, and the day when~~  
11 ~~the same shall payment will become delinquent.~~

12 ~~(3) Such The resolution, signed by the chairman presiding officer of the board, shall must be kept~~  
13 ~~on file in the office of the county clerk."~~

14

15 ~~Section 53.~~ Section 7-13-144, MCA, is amended to read:

16 ~~"7-13-144. Resolution to establish service charges -- hearing -- limitations and tax levy.~~ The board  
17 of county commissioners shall have authority may, subject to the provisions of Title 69, chapter 7, by  
18 resolution and after public hearing:

19 ~~(1) to fix and establish the sewer rates, charges, and rentals at amounts sufficient in each year,~~  
20 ~~to provide income and revenues revenue adequate for the payment of the reasonable expense of operation~~  
21 ~~and maintenance of the system;~~

22 ~~(2) to fix and establish an additional charge, for the operation and maintenance of a sanitary and~~  
23 ~~storm sewer system and of a sewage treatment plant; and~~

24 ~~(3) subject to 15-10-420, levy and to assess a tax upon the taxable valuation of each and every~~  
25 ~~lot or parcel of land and improvements thereon on the land in the district, not in excess of 2 mills on each~~  
26 ~~dollar of taxable valuation, to provide sufficient revenues revenue for the reserve fund of the amounts~~  
27 ~~amount necessary to meet the financial requirements of such the fund as described in 7-13-151 through~~  
28 ~~7-13-156."~~

29

30 ~~Section 54.~~ Section 7-13-237, MCA, is amended to read:

~~"7-13-237. Solid waste management district bonds authorized. (1) With the approval of the board of county commissioners, a solid waste management district may borrow money by the issuance of its bonds to:~~

~~(a) provide funds for payment of part or all of the cost of acquisition of property, construction of improvements, and purchase of equipment;~~

~~(b) provide an adequate working capital; and~~

~~(c) pay costs related to the planning, designing, and financing of a solid waste management system.~~

~~(2) The amount of bonds issued for the purposes provided for in subsection (1) and outstanding at any time may not exceed 22.5% of the taxable value of the property in the district as ascertained by the last assessment for state and county taxes prior to the issuance of the bonds.~~

~~(3) Each year at the time of levying county taxes, the board of county commissioners shall, subject to 15-10-420, fix and levy a tax upon all property within the district sufficient to raise the amount necessary for the payment of bonded indebtedness.~~

~~(4) The bonds must be authorized, sold, and issued and provisions must be made for their payment in the manner and subject to the conditions and limitations prescribed for bonds of school districts in Title 20, chapter 9, part 4."~~

~~**Section 55.** Section 7-13-309, MCA, is amended to read:~~

~~"7-13-309. Joint district bonds authorized. (1) Upon approval of the board of directors of the joint district, a joint district may borrow money by the issuance of its bonds to:~~

~~(a) provide funds for payment of part or all of the cost of acquisition of property, construction of improvements, and purchase of equipment;~~

~~(b) provide an adequate working capital; and~~

~~(c) pay costs related to the planning, designing, and financing of a solid waste management system.~~

~~(2) The amount of bonds issued for the purposes provided in subsection (1) and outstanding at any time may not exceed 22.5% of the taxable value of the property in the joint district as ascertained by the last assessment for state and county taxes prior to the issuance of the bonds.~~

~~(3) Each year at the time of levying county taxes, the board of county commissioners of each~~



1 county in the joint district shall, ~~subject to 15-10-420,~~ fix and levy a tax upon all property in the county  
2 within the joint district that is sufficient to raise the amount certified by the board of directors of the joint  
3 district for payment of bonded indebtedness of the district.

4 ~~——— (4) The bonds must be authorized, sold, and issued and provisions must be made for their payment~~  
5 ~~in the manner and subject to the conditions and limitations prescribed for bonds of school districts in Title~~  
6 ~~20, chapter 9, part 4. The issuance of the bonds must be approved in each county by the joint district~~  
7 ~~electorate voting on the question."~~

8  
9 ~~——— **Section 56.** Section 7-13-2221, MCA, is amended to read:~~

10 ~~——— **"7-13-2221. Powers related to district finances.** Any district incorporated as provided in this part~~  
11 ~~may:~~

12 ~~——— (1) accept funds and property or other assistance, financial or otherwise, from federal, state, and~~  
13 ~~other public or private sources for the purposes of aiding the construction or maintenance of water or~~  
14 ~~sewer development projects;~~

15 ~~——— (2) cooperate and contract with the state or federal government or any department or agency of~~  
16 ~~the state or federal government in furnishing assurances for and meeting local cooperation requirements~~  
17 ~~of any project involving control, conservation, and use of water;~~

18 ~~——— (3) borrow money and incur indebtedness and issue bonds or other evidence of indebtedness and~~  
19 ~~refund or retire any indebtedness or lien that may exist against the district or property of the district;~~

20 ~~——— (4) subject to 15-10-420, cause taxes to be levied in the manner provided for in part 23 and this~~  
21 ~~part for the purpose of paying any obligation of the district and to accomplish the purposes of part 23 and~~  
22 ~~this part in the manner provided in part 23 and this part;~~

23 ~~——— (5) subject to 15-10-420, levy special assessments against property located in the district and~~  
24 ~~benefited by any of its improvements, as provided in 7-13-2280 through 7-13-2289, and pledge the~~  
25 ~~collections of the special assessments in whole or in part, with any other revenue of the district, to the~~  
26 ~~payment of bonds issued pursuant to part 23; and~~

27 ~~——— (6) enter into covenants and agreements as to the establishment and maintenance of reasonable~~  
28 ~~rates and charges for the use of its systems or improvements or any part of the systems or improvements~~  
29 ~~as required, in the judgment of the board of directors, for the favorable sale of bonds issued pursuant to~~  
30 ~~part 23, including, without limitation, a covenant to establish and maintain rates and charges sufficient;~~

1 with the collection of any special assessments, to pay debt service and operating, maintenance, and  
2 replacement costs of the system or improvement and fund necessary reserves or a covenant to establish  
3 and maintain rates and charges sufficient, with the collection of any special assessments, to pay operating  
4 and maintenance costs of the system or improvement, fund necessary reserves for the system or  
5 improvement, and pay debt service on bonds and to provide additional funds necessary for the purposes  
6 of the system or improvement or to provide assurance to the holders of bonds as to the sufficiency of the  
7 revenue."

8  
9 ~~Section 57.~~ Section 7-13-2280, MCA, is amended to read:

10 ~~"7-13-2280. Levy of special assessments.~~ (1) In lieu of imposing rates and charges to pay the  
11 capital costs of any improvement provided for in this part, a district may, subject to 15-10-420, levy  
12 special assessments to defray the costs against property within the district and benefited by the  
13 improvement. The costs of the improvement may include the costs of issuance of any bonds issued to  
14 finance the improvement and any reserve securing payment of the bonds.

15 ~~(2) The board of directors shall by resolution levy and assess upon all property in the district~~  
16 ~~benefited by the improvement, by using for a basis for the assessment the method or methods provided~~  
17 ~~for in 7-12-2151.~~

18 ~~(3) The resolution must contain a description of each lot or parcel of land, with the name of the~~  
19 ~~owner if known, and the amount of each assessment, and the day when the assessment becomes will~~  
20 ~~become delinquent.~~

21 ~~(4) The resolution, signed by the presiding officer of the board of directors, must be kept on file~~  
22 ~~in the office of the secretary."~~

23  
24 ~~Section 58.~~ Section 7-13-2302, MCA, is amended to read:

25 ~~"7-13-2302. Levy of taxes to meet bond obligations and other expenses.~~ (1) If from any cause  
26 the revenues revenue of the district shall be is inadequate to pay the interest or principal of any bonded  
27 debt as it becomes due or any other expenses or claims against the district, then the board of directors  
28 must shall, (at least 15 days before the first day of the month in which the board of county commissioners  
29 of the county, city and county, or counties in which such the district is located are required by law to levy  
30 the amount of taxes required for county or city and county purposes), and furnish to the board or boards of

1 ~~county commissioners and to the auditor or auditors, respectively, an estimate in writing:~~

2 ~~—— (a) of the amount of money required by the district for the payment of the principal of or interest~~  
3 ~~on any bonded debt as it becomes due;~~

4 ~~—— (b) of the amount of money required to establish reasonable reserve funds for either of said~~  
5 ~~purposes purpose, together with a description of the lands benefited thereby by the bonds, as stated by~~  
6 ~~the board of directors in the resolution declaring the necessity to incur such the bonded indebtedness; and~~

7 ~~—— (c) of the amount of money required by the district for any other purpose set forth in this section.~~

8 ~~—— (2) The board of county commissioners of such the county or city and county, annually, at the~~  
9 ~~time and in the manner of levying other county or city and county taxes, must shall:~~

10 ~~—— (a) subject to 15-10-420 and until any such the bonded debt is fully paid, levy upon the benefited~~  
11 ~~lands so benefited and cause to be collected the proportionate share to be borne by the land located in~~  
12 ~~their county of a tax sufficient for the payment thereof of the debt, to be known as the ..... district bond~~  
13 ~~tax; and~~

14 ~~—— (b) subject to 15-10-420 and until all other expenses or claims are fully paid, levy upon all of the~~  
15 ~~lands of the district and cause to be collected the proportionate share to be borne by the land located in~~  
16 ~~their county of a tax sufficient for the payment thereof of the expenses and claims, to be known as the~~  
17 ~~..... district water and/or sewer tax.~~

18 ~~—— (3) Such The taxes for the payment of any such the bonded debt shall must be levied on the~~  
19 ~~property benefited thereby by the bonds, as stated by the board of directors in the resolution declaring the~~  
20 ~~necessity therefor for the bonds, and all taxes for other purposes shall must be levied on all property in~~  
21 ~~the territory comprising the district."~~

23 ~~—— **Section 59.** Section 7-13-2304, MCA, is amended to read:~~

24 ~~—— **"7-13-2304. Notice of intention to levy tax.** (1) When the written estimate of the amount of~~  
25 ~~money required has been delivered to the board of county commissioners, the board, subject to~~  
26 ~~15-10-420, shall give notice of its intention to levy and collect a tax sufficient for the payment of bond~~  
27 ~~obligations and other expenses.~~

28 ~~—— (2) The notice must be given:~~

29 ~~—— (a) by posting in five public places within the county and within the boundaries of the lands upon~~  
30 ~~which the tax is to be levied;~~

1 ~~—— (b) by publishing a copy of the notice as provided in 7-1-2121; and~~  
2 ~~—— (c) by forwarding, by mail as provided in 7-1-2122 at least 10 days prior to the hearing provided~~  
3 ~~for in 7-13-2306(4), a copy of the notice addressed to the owners and the purchasers under contracts for~~  
4 ~~deed of taxable real property within the district as shown by the current property tax record maintained~~  
5 ~~by the department of revenue for the county or counties the boundaries of which include taxable real~~  
6 ~~property of the district."~~

7  
8 ~~—— **Section 60.** Section 7-13-2528, MCA, is amended to read:~~

9 ~~—— **"7-13-2528. Financial administration of district.** (1) The board of trustees shall, from any list~~  
10 ~~prepared by the department of revenue as required by 7-13-2527, remove the names of any persons who~~  
11 ~~have claimed exemption under this part prior to September 1 and shall prepare a budget for the expenses~~  
12 ~~for the next year.~~

13 ~~—— (2) The budget, together with the list of persons residing in the district and subject to the special~~  
14 ~~tax after all exemptions have been allowed as provided in this part, must be presented by September 1~~  
15 ~~to the board of county commissioners, who, subject to 15-10-420 and taking into account the trustees~~  
16 ~~request, shall levy the tax requested by the trustees. The board shall levy the tax in accordance with the~~  
17 ~~trustees' request. In preparing the budget, the board of trustees shall maintain separate budgets for~~  
18 ~~television services and for FM translator services and shall specify the tax to that may be levied on~~  
19 ~~property owners for these services. The tax must be certified to the county clerk and recorder, who shall~~  
20 ~~notify the department of revenue for entry of the tax on the property tax record as against those persons~~  
21 ~~and collected by the county treasurer as all other taxes are collected.~~

22 ~~—— (3) The county treasurer is the treasurer for the district and shall hold the taxes, as collected, in~~  
23 ~~a separate fund to be disbursed upon warrants drawn by the trustees, at least two of whom shall sign any~~  
24 ~~warrant for the disbursement of the funds by the county treasurer."~~

25  
26 ~~—— **Section 61.** Section 7-13-3020, MCA, is amended to read:~~

27 ~~—— **"7-13-3020. Resolution to assess and levy tax for making improvements.** (1) To defray the cost~~  
28 ~~of making improvements in the district, the governing body shall, by resolution and subject to 15-10-420,~~  
29 ~~levy and assess a tax upon all property in the district created for the purpose of the system by using as~~  
30 ~~a basis for the assessment the method provided for by this part.~~

~~———— (2) The resolution must contain a description of each lot or parcel of land, with the name of the owner, if known, and the amount of each partial payment when to be made, and the day when the payment becomes will become delinquent.~~

~~———— (3) The resolution, signed by the governing body, must be kept on file in the office of the local government clerk."~~

~~———— **Section 62.** Section 7-13-3027, MCA, is amended to read:~~

~~———— **"7-13-3027. Resolution to establish service charges -- hearing -- limitations and tax levy.** The governing body may, subject to the provisions of 15-10-420 and Title 69, chapter 7, by resolution and after public hearing:~~

~~———— (1) establish the rates, charges, and rentals in amounts sufficient in each year to provide income and revenues revenue adequate for the payment of the reasonable expense of operation and maintenance of the system;~~

~~———— (2) establish an additional charge for the operation and maintenance of a system and a plant; and~~

~~———— (3) levy and assess a tax upon the taxable valuation of each and every lot or parcel of land and improvements in the district, not in excess of 2 mills on each dollar of taxable valuation, to provide sufficient revenues revenue for the reserve fund in the amounts necessary to meet the financial requirements of the fund as described in 7-13-3034 through 7-13-3039."~~

~~———— **Section 63.** Section 7-13-4406, MCA, is amended to read:~~

~~———— **"7-13-4406. Control over territory occupied by water supply system -- taxation and condemnation powers.** (1) Cities and towns shall have jurisdiction and control over:~~

~~———— (a) over the territory occupied by their public works;~~

~~———— (b) over and along the line of reservoirs, streams, trenches, pipes, drains, and other appurtenances used in the construction and operation of such the public works; and also~~

~~———— (c) over the source of streams from which water is taken for the enforcement of its sanitary ordinances, the abatement of nuisances, and the general preservation of the purity of its water supply;~~

~~———— (2) with power to A city or town may enact all ordinances and regulations necessary to carry the powers hereby conferred by this section into effect. For this purpose, the city or town shall be authorized to may condemn private property in the manner provided by law and shall have authority to, subject to~~

1 ~~15-10-420, may levy a just and equitable tax on all consumers of water for the purpose of defraying the~~  
2 ~~expenses of its procurement."~~

3

4 **Section 40.** Section 7-14-111, MCA, is amended to read:

5 **"7-14-111. Transportation for senior citizens and persons with disabilities.** (1) Subject to  
6 15-10-420, a county, urban transportation district, or municipality may, ~~in addition to all other property~~  
7 ~~tax levies authorized by law,~~ levy up to 1 mill of property taxes to fund special transportation services for  
8 senior citizens and persons with disabilities.

9 (2) The proceeds of the levy may be used to:

10 (a) contract with public or private transportation providers for services to senior citizens and  
11 individuals with disabilities; or

12 (b) augment or subsidize provisions for the transportation of senior citizens and individuals with  
13 disabilities provided by public transportation providers.

14 (3) If the taxing jurisdiction determines that it is not in the best interest of senior citizens and  
15 individuals with disabilities to use the tax levy as provided for in subsection (2), the taxing jurisdiction may  
16 use the proceeds of the levy to establish and operate an independent transportation system for senior  
17 citizens and individuals with disabilities.

18 (4) Counties, urban transportation districts, and municipalities are encouraged to enter into  
19 interlocal agreements to provide regional transportation services to senior citizens and persons with  
20 disabilities and may create regional advisory committees to coordinate regional transportation services."

21

22 **Section 41.** Section 7-14-232, MCA, is amended to read:

23 **"7-14-232. Mill levy authorized --limitation.** (1) Subject to 15-10-420, the commissioners shall  
24 annually, at the time of levying county taxes, fix and levy a tax in mills upon all property within the  
25 transportation district ~~clearly~~ sufficient to ~~raise the amount certified~~ operate the district, taking into  
26 account the amount requested by the board.

27 ~~(2) The tax levied for all district purposes other than payment of bonded indebtedness may not~~  
28 ~~in any year exceed 12 mills on each dollar of taxable valuation of property within the district."~~

29

30 **Section 42.** Section 7-14-1131, MCA, is amended to read:

1           **"7-14-1131. Municipal tax levy.** Subject to 15-10-420, the port authority may request annually  
2 from the governing bodies the amount of tax to be levied by each municipality participating in the creation  
3 of the port authority, and the municipality may levy the amount requested, pursuant to provisions of law  
4 authorizing cities and other political subdivisions of this state to levy taxes. ~~The levy made may not exceed~~  
5 ~~the maximum levy permitted by 67-10-402 for port purposes or any lower limit that may have been~~  
6 ~~established by the municipality or municipalities in the resolution creating the authority.~~ The municipality  
7 shall collect the taxes requested by a port authority that it has authorized in the same manner as other  
8 taxes are levied and collected and make payment to the port authority. The proceeds of the taxes when  
9 and as paid to the port authority must be deposited in a special account or accounts in which other  
10 revenue of the authority is deposited and may be expended by the authority as provided for in this part.  
11 Prior to the issuance of bonds under 7-14-1133 and 7-14-1134, the port authority or the municipality may  
12 by resolution covenant and agree that the total amount of taxes then authorized by law, or the portion of  
13 the taxes that may be specified by the resolution, will be requested, levied, and deposited annually as  
14 provided in this section until the bonds and interest are fully paid."

15  
16           **Section 43.** Section 7-14-1134, MCA, is amended to read:

17           **"7-14-1134. Method of funding deficiency.** (1) Subject to the conditions stated in this section,  
18 the governing body of a county or of a municipality having a population in excess of 10,000 may by  
19 resolution covenant that if at any time all revenue, including taxes, appropriated and collected for bonds  
20 issued pursuant to this part ~~are~~ is insufficient to pay principal or interest then due, it will levy a general  
21 tax upon all of the taxable property in the county or municipality for the payment of the deficiency. The  
22 governing body may further covenant that at any time a deficiency is likely to occur within 1 year for the  
23 payment of principal and interest due on the bonds, it will levy a general tax upon all the taxable property  
24 in the county or municipality for the payment of the deficiency. The taxes are not subject to any limitation  
25 of rate or amount applicable to other county or municipal taxes but are limited to a rate estimated to be  
26 sufficient to produce the amount of the deficiency. If more than one local government is included in an  
27 authority issuing bonds pursuant to this part, the local governments may apportion the obligation to levy  
28 taxes for the payment of, or in anticipation of, a deficiency in the revenue appropriated for the bonds in  
29 a manner that the local governments may determine.

30           (2) The resolution must state the principal amount and purpose of the bonds and the substance

1 of the covenant respecting deficiencies.

2 (3) (a) A resolution is not effective until the question of its approval has been submitted to the  
3 qualified electors of the local government at ~~a special~~ an election:

4 ~~—— (i) called for that purpose by the governing body of the local government; and~~

5 ~~(ii) held in conjunction with a regular or primary election pursuant to [section 2]; and~~

6 ~~(iii) the question is approved by a majority of the electors voting on the question.~~

7 (b) The notice and conduct of the election is governed, to the extent applicable, as provided for  
8 municipal general obligation bonds in Title 7, chapter 7, part 42, for an election called by cities and towns,  
9 and as provided for county general obligation bonds in Title 7, chapter 7, part 22, for an election called  
10 by counties. If a majority of the electors voting on the issue vote against approval of the resolution, the  
11 local government may not make the covenant or levy a tax for the payment of deficiencies pursuant to  
12 this section. The local government or authority may issue bonds under this part payable solely from the  
13 sources referred to in 7-14-1133(1)."

14

15 **Section 44.** Section 7-14-1632, MCA, is amended to read:

16 **"7-14-1632. Mill levy authorized ~~--limitation~~.** The authority may certify annually to the board of  
17 county commissioners the amount of money necessary for the operation of the authority. Upon approval  
18 by the electorate, the board shall annually, at the time of levying county taxes, fix and levy a tax in mills  
19 upon all property within the boundaries of the authority clearly sufficient to raise the amount certified by  
20 the authority. ~~The tax levied for authority purposes other than for payment of bonded indebtedness may~~  
21 ~~not in a year exceed 6 mills on each dollar of taxable valuation of property within the authority."~~

22

23 **Section 45.** Section 7-14-1633, MCA, is amended to read:

24 **"7-14-1633. Election required to impose mill levy.** (1) Before the levy provided for in 7-14-1632  
25 may be made, the question must be submitted to a vote of the people at ~~the next regular school~~ an  
26 election held in accordance with 20-3-304 or by mail ballot election as provided by Title 13, chapter 19,  
27 in the following form:

28 ~~—— "Shall there be a levy of (specify number, not to exceed 6) mills upon the taxable property of the~~  
29 ~~(specify rail authority) necessary to raise the sum of (specify the approximate amount to be raised by the~~  
30 ~~tax levy) for the purpose of (specify purpose for which the levy is made)?~~



1 ~~\_\_\_\_\_ [ ] FOR the tax levy.~~

2 ~~\_\_\_\_\_ [ ] AGAINST the tax levy pursuant to [section 2]."~~

3 (2) Notice of the election, clearly stating the amount and the purpose of the levy, must be given  
4 and the election must be held and conducted and the returns must be made in the manner prescribed by  
5 law for the submission of questions to the electors under the general election laws."

6

7 **Section 46.** Section 7-14-2501, MCA, is amended to read:

8 **"7-14-2501. General road tax authorized.** (1) Subject to 15-10-420 and to raise revenue for the  
9 construction, maintenance, or improvement of public highways, each board of county commissioners may  
10 levy a ~~general~~ tax upon the taxable property in the county ~~of not more than 20 mills, except in counties~~  
11 ~~of the fourth, fifth, sixth, and seventh class, which may levy not more than 23 mills, payable to the county~~  
12 ~~treasurer.~~ The tax must be collected the same as other taxes as the board may direct.

13 (2) This section does not apply to incorporated cities and towns that by ordinance provide for the  
14 levy of a tax for road, street, or alley purposes.

15 (3) All money collected under this section must be deposited in the county road fund."

16

17 **Section 47.** Section 7-14-2502, MCA, is amended to read:

18 **"7-14-2502. Special bridge tax authorized -- combined ferry and bridge fund.** (1) Subject to  
19 15-10-420, a board may levy a special tax ~~not to exceed 8 mills~~ on all taxable property in the county for  
20 the purpose of constructing, maintaining, and repairing free public bridges, which includes those bridges  
21 within the municipalities.

22 ~~(2) Subject to 15-10-420, an additional levy for these purposes may be made under the following~~  
23 ~~conditions:~~

24 ~~\_\_\_\_\_ (a) In any county where the taxable value of property in that county is \$20 million or less, the~~  
25 ~~board may, if necessary, levy 1 mill.~~

26 ~~\_\_\_\_\_ (b) In counties where the taxable value of property in that county is not less than \$20 million or~~  
27 ~~more than \$40 million, the board may, if necessary, levy 2 mills.~~

28 ~~(3)~~(2) For the purposes of this section, a free public bridge is defined as any drainage structure  
29 located on, over, or through any road or highway.

30 ~~(4)~~(3) These taxes must be levied and collected in the same manner as other taxes. Except that

1 when the county has a combined ferry and bridge fund, the money must be kept as a special bridge fund,  
 2 subject to the order of the board for use as provided in this section; and may not be transferable to any  
 3 other fund.

4 ~~(5)~~(4) If a county owns or operates a public ferry, the board may combine into a single fund the  
 5 revenue from the county public ferry tax levy authorized in 7-14-2807, the revenue from the special  
 6 municipal bridge levy authorized in 7-14-2503, and the revenue from the levy authorized by this section.  
 7 The fund may be used for any lawful purpose authorized for bridges in this part or in Title 7, chapter 14,  
 8 part 22, or for public ferries in Title 7, chapter 14, part 28."

9

10 **Section 48.** Section 7-14-2503, MCA, is amended to read:

11 **"7-14-2503. Special municipal bridge tax authorized.** Subject to 15-10-420, a board may levy a  
 12 special tax ~~not to exceed 5 mills~~ on the taxable property in the county to defray the costs of any bridge  
 13 required to be constructed and maintained by the county in any city or town."

14

15 **Section 49.** Section 7-14-2504, MCA, is amended to read:

16 **"7-14-2504. Additional road and bridge construction tax -- election required.** (1) Each board may  
 17 make an additional levy upon the taxable property in the county ~~of up to 10 mills~~ for constructing public  
 18 highways and bridges.

19 (2) Before the additional levy may be made, the question must be submitted to a vote of the  
 20 people ~~at a general election or a special election held in conjunction with a regular or primary election as~~  
 21 provided in [section 2]. ~~The question must be in the following form, inserting the number of mills to be~~  
 22 ~~levied and the name of the county:~~

23 ~~———"Shall there be an additional levy of.... mills upon the taxable property in the county of...., state~~  
 24 ~~of Montana, for the purpose of constructing public highways and bridges?~~

25 ~~——— ☐ YES~~

26 ~~——— ☐ NO".~~

27 (3) A majority of the votes cast is necessary to permit the additional levy, which must be collected  
 28 in the same manner as other road taxes."

29

30 **Section 50.** Section 7-14-2523, MCA, is amended to read:

1           **"7-14-2523. Term of county road and bridge bonds.** (1) Bonds issued under 7-14-2522(1) may

2 not be issued for a ~~longer~~ term longer than 20 years.

3           (2) A bond issued under 7-14-2522(1)(b) may not be issued for a term longer than 10 years,  
4 except that:

5       ~~—(a) if the unexpired term of the bonds to be refunded is greater than 10 years, the refunding bonds~~  
6 ~~may be issued for the unexpired term; or~~

7       ~~—(b) if the 10-year term requires an annual tax levy for payment of the refunding bonds which~~  
8 ~~exceeds 10 mills on all property subject to taxation, the term may be so extended as to reduce the annual~~  
9 ~~levy to 10 mills."~~

10  
11           **Section 51.** Section 7-14-2807, MCA, is amended to read:

12           **"7-14-2807. Tax levy for public ferry -- combined ferry and bridge fund.** (1) Subject to 15-10-420,  
13 if a county owns or operates a public ferry, the board of county commissioners may levy a ~~special tax;~~  
14 ~~not to exceed 2 mills on the dollar,~~ on the taxable value of all taxable property of the county for the  
15 purpose of constructing, maintaining, and repairing public ferries.

16           (2) The board may combine the revenue from the tax authorized in this section with revenue from  
17 taxes to support bridges as provided in 7-14-2502."

18  
19           **Section 52.** Section 7-14-4106, MCA, is amended to read:

20           **"7-14-4106. Payment for cost of removing waste.** ~~(1) The city or town council has power to~~  
21 ~~provide for levying~~ may levy the cost of the removal provided for in 7-14-4105(2) as a special ~~tax~~ charge  
22 against the property from which ~~such~~ the matter was deposited.

23           ~~(2) The city or town council may further, until full liquidation is realized, include in such tax an~~  
24 ~~amount not to exceed 20% of any floating indebtedness consisting of valid outstanding warrants drawn~~  
25 ~~and issued against the fund or funds used to defray the expense of removing such matter, existing at the~~  
26 ~~close of business on June 30, 1943, together with not to exceed such per centum of the current interest~~  
27 ~~thereon from such last-mentioned date. The money derived from such portion of such levy and assessment~~  
28 ~~for such additional amount, if included in such tax, may only be expended toward liquidating such floating~~  
29 ~~indebtedness, together with the interest thereon, and not otherwise."~~

1           **Section 53.** Section 7-14-4404, MCA, is amended to read:

2           **"7-14-4404. Tax levy for contracts to operate bus service.** For the purpose of raising the  
3 necessary money to defray the cost of the transportation service authorized by 7-14-4401(2) pursuant  
4 to a contract, lease, or lease and operating agreement with an independent carrier or carriers, the city or  
5 town council may annually levy a tax on the taxable value of all taxable property within the limits of the  
6 city or town. Whenever the council of the city or town considers it necessary to raise money by taxation  
7 for transportation services in excess of the levy allowed by ~~law~~ 15-10-420, the council of the city or town  
8 shall in the manner prescribed by law submit the question of the additional levy to the qualified electors  
9 of the city or town, ~~either at the regular annual election held in the city or town or at a special election that~~  
10 ~~is held in conjunction with a regular or primary election and that is called for that purpose by the council~~  
11 ~~of the city or town. The additional levy may not exceed 1 1/2 mills as provided in [section 2]."~~

12  
13           **Section 54.** Section 7-14-4644, MCA, is amended to read:

14           **"7-14-4644. Restrictions on use of reserve to make payments on revenue bonds.** The funds from  
15 which the transfers authorized by 7-14-4643(2)(g) are made ~~shall~~ must be reimbursed from the next  
16 collections of other ~~revenues~~ revenue enumerated in 7-14-4643 ~~which are that is~~ not needed for full  
17 compliance with provisions of indentures securing all outstanding obligations of the commission. ~~Nothing~~  
18 ~~herein shall~~ This section does not permit the levy of taxes at any time in excess of the deficiency ~~then~~  
19 existing in the reserve, but ~~such~~ subject to 15-10-420, a tax as may be needed, with other funds  
20 determined by the legislative body to be available to meet the deficiency, may ~~and shall~~ be levied ~~and shall~~  
21 ~~not be subject to any limitation of rate or amount provided in any other law."~~

22  
23           **Section 55.** Section 7-14-4734, MCA, is amended to read:

24           **"7-14-4734. Expense estimate -- assessments and tax levy.** (1) The governing body shall:

25           (a) make annual statements and estimates of the expenses of the district that are provided for by  
26 the levy and collection of ad valorem taxes upon the assessed value of all the real and personal property  
27 in the district;

28           (b) publish notice of the estimates; and

29           (c) have hearings and adopt an ordinance on the estimates at the times and in the manner provided  
30 for incorporated cities and towns by the applicable portions of 7-12-4175.

(2) Subject to 15-10-420, the governing body, on or before the second Monday in August of each year, shall fix, levy, and assess the amount to be raised by ad valorem taxes upon all of the property of the district. All statutes providing for the levy and collection of state and county taxes, including the collection of delinquent taxes and sale of property for nonpayment of taxes, are applicable to the district taxes provided for under this section.

~~(3) An assessment for district purposes against the property within the district may not exceed 12 mills upon each dollar of taxable valuation in any tax year."~~

**Section 56.** Section 7-15-4293, MCA, is amended to read:

**"7-15-4293. Adjustment of base taxable value following change of law.** If the base taxable value of an urban renewal area or an industrial district is affected after its original determination by a statutory, administrative, or judicial change in the method of appraising property, the tax rate applied to it, the tax exemption status of property, or the taxable valuation of property if the change in taxable valuation is based on conditions existing at the time the base year was established, the governing body of the municipality may request the department of revenue or its agents to ~~calculate~~ estimate the base taxable value ~~as it would have been on the date of the original determination had the change been in effect on that date. The governing body may adjust the base taxable value to that value reported by the department of revenue, under the provisions of 7-15-4287~~ so that the tax increment resulting from the increased incremental value is sufficient to pay all principal and interest on the bonds as those payments become due."

**Section 57.** Section 7-16-101, MCA, is amended to read:

**"7-16-101. Creation of funds for recreational and other activities of elderly by local governments.**

(1) Subject to 15-10-420, the governing body of a city, county, town, or municipality may in its discretion establish a fund to promote, establish, and maintain recreational, educational, and other activities of the elderly by a levy ~~of up to 1 mill on each dollar of taxable property.~~ The tax levy is in addition to all other tax levies.

(2) The governing body may, by resolution, make expenditures from the fund as it may from time to time determine. Expenditures must be made for the promotion and development of recreational, educational, and other activities of the elderly, including motivation of the use of the talents of the elderly.

(3) The governing body may make payment of expenditures to nonprofit corporations or associations engaged in aiding the activities."

**Section 58.** Section 7-16-2102, MCA, is amended to read:

**"7-16-2102. Authorization for tax levy for parks and certain cultural, social, and recreational facilities.** (1) Subject to 15-10-420, the board of county commissioners may annually levy on the taxable property of the county, in the same manner and at the same time as other county taxes are levied, a special tax, not to exceed 2 mills on each dollar of the taxable valuation for any 1 year, for the purpose of maintaining, operating, and equipping parks, cultural facilities, and any county-owned civic center, youth center, recreation center, recreational complex, or any combination of purposes, parks, and facilities.

(2) (a) The board of county commissioners shall submit the question of imposing or the continued imposition of the property tax mill levy provided in subsection (1) to the electors of the county at the next general election if a petition requesting an election, signed by at least 15% of the resident taxpayers of the county, is filed with the county clerk. The petition must be filed with the county clerk at least 90 days prior to the date of the general election.

(b) The question must be submitted ~~substantially as follows:~~

~~— [] FOR the imposition (or continued imposition) of a property tax, not to exceed 2 mills, for county parks and for county-owned cultural, social, and recreational facilities.~~

~~— [] AGAINST the imposition (or continued imposition) of a property tax for county parks and for county-owned cultural, social, and recreational facilities as provided in [section 2].~~

(c) The board of county commissioners shall levy the tax ~~for the 2 subsequent fiscal years~~ if the question for the imposition of the tax is approved by a majority of the electors voting on the question.

(3) All laws applicable to the collection of county taxes apply to the collection of the tax provided for in this section."

**Section 59.** Section 7-16-2108, MCA, is amended to read:

**"7-16-2108. Authorization to levy tax and establish fund for establishment and maintenance of programs and employee training for day-care facilities.** (1) Subject to 15-10-420, the governing body of a county, city, town, or municipality may establish a fund to establish and maintain programs for the operation of licensed day-care centers and homes within the geographic boundaries of the governing body

1 by a levy ~~of up to 1 mill on each dollar of~~ the taxable property within the county, city, town, or  
2 municipality. The tax levy is in addition to all other tax levies.

3 (2) The governing body may, by resolution, make expenditures from the fund as it may from time  
4 to time determine, provided that expenditures must be made solely for the establishment, maintenance,  
5 and development of programs for and training of operators and employees of day-care centers and homes."  
6

7 **Section 60.** Section 7-16-2109, MCA, is amended to read:

8 **"7-16-2109. Single tax for county fair activities, county parks, and certain cultural, social, and**  
9 **recreational facilities -- restriction.** (1) Subject to 15-10-420 and except as provided in subsection (2), the  
10 county commissioners of a county who have levied taxes pursuant to both 7-16-2102 and 7-21-3410  
11 ~~before January 1, 1993,~~ may combine the two taxes into a single tax ~~that may not exceed 3 1/2 mills on~~  
12 ~~each dollar of the taxable valuation for any 1 year~~ for the purpose of maintaining, operating, and equipping  
13 county fair activities, county parks, cultural facilities, and any county-owned civic center, youth center,  
14 recreation center, recreational complex, or any combination of purposes, activities, and facilities. The  
15 money collected may be distributed among the activities and facilities as determined by the county  
16 commissioners.

17 (2) (a) The board of county commissioners shall submit the question of imposing or continuing the  
18 imposition of the single tax provided for in subsection (1) to the electors of the county at the next general  
19 election if a petition requesting a vote on the single tax, signed by at least 15% of the resident taxpayers  
20 of the county, is filed with the county clerk at least 90 days prior to the date of the general election.

21 (b) The question must be submitted ~~substantially as follows:~~

22 ~~—— [ ] FOR imposition (or continued imposition) of a property tax, not to exceed 3 1/2 mills, for county~~  
23 ~~fair activities, county parks, and county-owned cultural, social, and recreational facilities.~~

24 ~~—— [ ] AGAINST imposition (or continued imposition) of a property tax, not to exceed 3 1/2 mills, for~~  
25 ~~county fair activities, county parks, and county-owned cultural, social, and recreational facilities~~ as  
26 provided in [section 2].

27 (c) The board of county commissioners shall levy the tax ~~for the 2 subsequent fiscal years~~ if the  
28 imposition or continued imposition of the single tax is approved by a majority of the electors voting on the  
29 question."  
30

1           **Section 61.** Section 7-16-2205, MCA, is amended to read:

2           **"7-16-2205. Authorization for mill levy.** (1) The board of county commissioners of any county  
3   owning, acquiring, contributing, or making a grant to any museum, facility for the arts and the humanities,  
4   or collection of exhibits as set forth in 7-16-2202:

5           (a) (i) may make an appropriation in its annual budget for the upkeep, care, maintenance,  
6   operation, and support of the museum, facility, or collection;

7           (ii) may make an appropriation in its annual budget for a grant program for private, nonprofit  
8   museums and private, nonprofit facilities for the arts and the humanities; and

9           (b) in order to fund the appropriation or grant program, may, subject to 15-10-420, annually levy  
10   a tax ~~not to exceed 2 mills on each dollar of~~ the taxable valuation of the property subject to taxation in  
11   the county.

12           (2) The levy must be made at the same time as other levies are made for county and school  
13   purposes.

14           (3) The proceeds from the collection of the levy must be kept in a special fund by the county  
15   treasurer and used, at the discretion of the board of county commissioners, solely for the purpose for  
16   which the levy was made."

17  
18           **Section 62.** Section 7-16-2411, MCA, is amended to read:

19           **"7-16-2411. Creation of county park district.** (1) Proceedings for the creation of a county park  
20   district may be initiated by:

21           (a) a petition signed by 10% or more of the qualified electors of the proposed park district; or

22           (b) a resolution of intent adopted by the county governing body, calling for the creation of a  
23   county park district.

24           (2) The petition or resolution must contain:

25           (a) the boundaries of the proposed district;

26           (b) subject to 15-10-420, the proposed ~~maximum~~ property tax mill levy that could be levied on  
27   property owners within the district or the proposed maximum fee on each household within the proposed  
28   district for the operation of the district; and

29           (c) the proposed number of members of the county park district commission. The number of  
30   members must be an odd number and may not be less than three.



(3) When the territory to be included in the proposed district lies in more than one county, a petition must be presented to the governing body of each county in which the territory lies. Each petition must be signed by 10% or more of the qualified electors of the territory within the county proposed to be included in the district.

(4) Upon receipt of a petition for the creation of a county park district, the county clerk shall examine it and within 15 days either reject the petition if it is insufficient under the provisions of subsection (1), (2), or (3) or certify that the petition is sufficient and present it to the county governing body at its next meeting.

(5) The text of the petition or resolution must be published as provided in 7-1-2121 in each county in which the territory of the proposed district lies.

(6) At the hearing, the county governing body shall hear:

(a) testimony of all interested persons on whether a county park district should be created;

(b) testimony regarding the proposed boundary, the property tax mill levy or proposed fee on each household within the proposed district, and the number of members of the district commission; and

(c) any other matter relating to the proposed district.

(7) After the hearing, if the county governing body determines that the proposed park district should be created, it shall by resolution:

(a) set the boundaries of the proposed park district;

(b) set the ~~maximum~~ mill levy or fee on each household for the proposed park district;

(c) set the number of members to be on the district commission; and

(d) call for an election on the question of whether to create the county park district. The election must be held ~~in conjunction with a regular or primary election, provided that at least 75 days have elapsed between the adoption of the resolution and the election~~ as provided in [section 2]."

**Section 63.** Section 7-16-2412, MCA, is amended to read:

**"7-16-2412. Election on creation of district.** (1) The election on the question of whether to create a county park district must be conducted as provided in Title 13.

(2) Only qualified electors residing within the proposed park district may vote on the question of whether to create the district.

(3) The question of creating a county park district shall be submitted to the electors in

1 ~~substantially one of the following forms:~~

2 ~~—— (a) [] FOR the creation of a county park district that may levy not more than .... mills of property~~  
3 ~~tax for the operation of the district.~~

4 ~~—— [] AGAINST the creation of a county park district.~~

5 ~~—— (b) [] FOR the creation of a county park district that may assess a fee on each household of ....~~  
6 ~~dollars for the operation of the district.~~

7 ~~—— [] AGAINST the creation of a county park district as provided in [section 2]."~~

8

9 **Section 64.** Section 7-16-2431, MCA, is amended to read:

10 **"7-16-2431. District budget -- property tax levy or fee on household.** (1) The county park district  
11 commission shall annually prepare a budget for the ensuing fiscal year and present the budget to the  
12 governing body of each county with territory included in the district at the regular budget meetings as  
13 prescribed in Title 7, chapter 6, part 23, and certify the amount of money necessary for the operation of  
14 the district for the ensuing fiscal year.

15 (2) (a) Subject to 15-10-420, the county governing body shall, annually at the time of levying  
16 county taxes, fix and levy a tax in mills on all taxable property within the district ~~sufficient to raise~~ taking  
17 into account the amount certified by the county park district commission. ~~The tax levied may not in any~~  
18 ~~year exceed the maximum amount approved by the electorate in 7-16-2411 or 7-16-2432.~~

19 (b) The county governing body shall annually assess a fee on each household ~~that is sufficient to~~  
20 ~~raise~~ taking into account the amount certified by the county park district commission. ~~The fee assessed~~  
21 ~~may not exceed the maximum amount approved by the electorate.~~ The fee must be assessed at the time  
22 of levying county taxes."

23

24 **Section 65.** Section 7-16-2443, MCA, is amended to read:

25 **"7-16-2443. Effect of dissolution.** (1) If dissolution of a county park district is authorized by a  
26 majority of the electorate of the district, the county governing body shall order the dissolution and file the  
27 order with the county clerk. The dissolution is effective upon the earlier of the following:

28 (a) 6 months after the date of filing of the order; or

29 (b) certification by the members of the county park commission that all debts and obligations of  
30 the district have been paid, discharged, or irrevocably settled.

(2) (a) If debts or obligations of the district remain unsatisfied after the dissolution of the district, the county governing body shall, subject to 15-10-420 and for as long as necessary, levy ~~a property tax~~ or a fee on each household, in an amount not to exceed the voted maximum authorized by the district, or a property tax on all taxable property that is in the territory formerly comprising the district, in a sufficient amount to be used to discharge the debts of the former district.

(b) If the electors of the district lowered the ~~maximum~~ amount to be levied for the operation of the district within 2 calendar years prior to the election authorizing the dissolution, the county governing body may, subject to 15-10-420, levy a property tax not to exceed the ~~maximum~~ levy authorized prior to the reduction of the ~~maximum~~ levy for the discharge of the district's obligations if the obligations are bonds.

(3) Any assets of the district remaining after all debts and obligations have been discharged become the property of the county."

**Section 66.** Section 7-16-4105, MCA, is amended to read:

**"7-16-4105. Authorization to levy tax for various cultural, social, and recreational facilities.**

Subject to 15-10-420 and for the purpose of procuring, equipping, and maintaining public parks, swimming pools, skating rinks, playgrounds, civic centers, youth centers, museums, and combination of purposes and facilities, the council or commission in any city or town may levy, in addition to the levy for general municipal or administrative purposes, ~~an amount not exceeding 7 mills on the dollar~~ a tax on the taxable value of ~~the all taxable~~ property to be taxed in the city or town."

**Section 67.** Section 7-16-4113, MCA, is amended to read:

**"7-16-4113. Tax levy for band concerts.** Subject to 15-10-420 and for the purpose of providing band concerts, the council or other governing body in any city of the first, second, or third class or of any incorporated town may assess and levy, in addition to the levy for general municipal or administrative purposes, ~~an amount not to exceed 1 mill~~ a tax on ~~the dollar~~ on the taxable value of ~~the all taxable~~ property of the city or town ~~subject to taxation~~."

**Section 68.** Section 7-16-4114, MCA, is amended to read:

**"7-16-4114. Authorization to levy tax and establish fund for establishment and maintenance of**

**programs and employee training for day-care facilities.** (1) Subject to 15-10-420, the governing body of a county, city, town, or municipality may establish a fund to establish and maintain programs for the operation of licensed day-care centers and homes within the geographic boundaries of the governing body by a levy of up to 1 mill on each dollar of the taxable property in the county, city, town, or municipality. The tax levy is in addition to all other tax levies.

(2) The governing body may, by resolution, make expenditures from the fund as it may from time to time determine, provided that expenditures must be made solely for the establishment, maintenance, and development of programs for and training of operators and employees of day-care centers and homes."

**Section 69.** Section 7-21-3203, MCA, is amended to read:

**"7-21-3203. Support of extension work in agriculture and home economics.** (1) The county commissioners of any county may appropriate money from the general funds of the county treasury or from funds provided by special a levy for the purpose of carrying on extension work in agriculture and home economics within the county in cooperation with Montana state university-Bozeman and the United States department of agriculture. Subject to 15-10-420, the county commissioners may impose the levy for the purpose of this section at the same time as other levies for county purposes are imposed.

(2) The amount of an appropriation in any county, its method of expenditure, the responsibility for the direction of the work, and the procedure of appointing agents and the compensation and conditions of service of agents must be covered in memoranda of agreement between the county commissioners and Montana state university-Bozeman."

**Section 70.** Section 7-21-3433, MCA, is amended to read:

**"7-21-3433. Authorization for mill levy.** (1) For the purpose of raising the revenue provided for in 7-21-3432, the board of county commissioners of each county in the district shall, subject to 15-10-420, annually make a levy to raise the required sum apportioned to the respective county.

~~(2) The levy provided for in subsection (1) may not exceed 1 mill on the dollar of the taxable value of all the taxable property in the county, except in the case of the county in which the fair is being conducted. In that county, the levy may not exceed 1 1/2 mills on the dollar of taxable property in the county."~~

**Section 71.** Section 7-21-3457, MCA, is amended to read:

**"7-21-3457. Effect of failure of county commissioners to meet or take action.** If the county commissioners fail to hold a joint meeting or fail to take any action, the budget certified by the secretary of the fair commission or the joint fair and civic center commission must be approved without further action and the sum of money apportioned to the county must be the sum to be raised by ~~special~~ a levy for this purpose under 7-21-3410 through 7-21-3412."

**Section 72.** Section 7-22-2142, MCA, is amended to read:

**"7-22-2142. Sources of money for noxious weed fund.** (1) The commissioners may create the noxious weed fund and provide sufficient money in the fund for the board to fulfill its duties, as specified in 7-22-2109, by:

(a) appropriating money from the general fund of the county;

(b) subject to 15-10-420 and at any time fixed by law for levy and assessment of taxes, levying a tax ~~not exceeding 2 mills on the dollar of total taxable valuation~~ value of all taxable property in the county. The tax levied under this subsection must be identified on the assessment as the tax that will be used for noxious weed control.

~~(c) levying a tax in excess of 2 mills if authorized by a majority of the qualified electors voting in an election held for this purpose pursuant to 7-6-2531 through 7-6-2536.~~

(2) The proceeds of the noxious weed control tax must be used solely for the purpose of managing noxious weeds in the county and must be designated to the noxious weed fund.

(3) Any proceeds from work or chemical sales must revert to the noxious weed fund and must be available for reuse within that fiscal year or any subsequent year.

(4) The commissioners may accept any private, state, or federal gifts, grants, contracts, or other funds to aid in the management of noxious weeds within the district. These funds must be placed in the noxious weed fund."

**Section 73.** Section 7-22-2222, MCA, is amended to read:

**"7-22-2222. Mill levy authorized.** To administer and implement a rodent abatement program, the governing body may, subject to 15-10-420, levy a tax, ~~not to exceed 2 mills,~~ on the taxable value of the horticultural, farming, grazing, forest, and railroad lands within the district. The proceeds of the levy are

1 to be placed in the district fund."

2

3 **Section 74.** Section 7-22-2306, MCA, is amended to read:

4 **"7-22-2306. Financing of insect pest control program.** (1) The governing body of the county shall  
5 annually determine the amount of the warrants drawn on the general fund for the purposes of controlling  
6 insect pests under a control program approved by the department of agriculture.

7 (2) Subject to 15-10-420, in the succeeding year, the governing body shall levy a tax for the  
8 purpose of insect pest extermination sufficient to reimburse the general fund for the money paid out on  
9 the warrants. The tax must be levied ~~upon on~~ on all the taxable property in the county ~~and may not exceed~~  
10 ~~3 mills on each dollar of taxable value.~~

11 (3) If there is no money in the general fund with which to pay the warrants, they must be  
12 registered and bear interest in the same manner as other county warrants. In this case, the interest must  
13 be computed and added to the amount for which the tax is levied."

14

15 **Section 75.** Section 7-22-2432, MCA, is amended to read:

16 **"7-22-2432. Financing of mosquito control district -- levy of district taxes -- ~~limit on mill levy --~~**  
17 **fee on structures.** (1) Subject to 15-10-420, the board of county commissioners of any county within  
18 which a mosquito control board has been created shall finance the operation of the district by levying a  
19 tax ~~not exceeding 5 mills on the dollar of the total taxable valuation in the district on~~ value of all taxable  
20 property situated within the district at the time fixed by law for levy and assessment of taxes.

21 (2) Instead of or in addition to imposing the levy authorized in subsection (1), the county  
22 commissioners may, upon an affirmative vote of a majority of the qualified voters residing in the mosquito  
23 control district, collect an annual fee from the owners of structures that are benefited by the mosquito  
24 control services offered by the district. ~~The schedule of fees is as follows:~~

25 ~~—— (a) up to \$20 per single-unit dwelling;~~

26 ~~—— (b) up to \$20 per unit in a duplex dwelling;~~

27 ~~—— (c) up to \$5 per unit in a multiple-unit dwelling;~~

28 ~~—— (d) up to \$75 per commercial establishment;~~

29 ~~—— (e) up to \$50 on each irrigated parcel of property that does not contain a dwelling; and~~

30 ~~—— (f) up to \$15 on each nonirrigated parcel of property that does not contain a dwelling.~~

(3) A countywide mosquito control district may be financed by a property tax pursuant to subsection (1) or a fee under subsection (2), but not by both a tax and a fee.

(4) The fees provided for in subsection (2) must be collected with the general taxes of the county. The assessments are a lien on the property assessed.

(5) The proceeds from the tax and the fees must be placed in a separate fund with the county treasurer of the county and must be used solely for the purpose for which the mosquito control district was created."

**Section 76.** Section 7-22-2512, MCA, is amended to read:

**"7-22-2512. Financing of vertebrate pest management program -- tax.** (1) A governing body may:

(a) appropriate from the county general fund an amount ~~not in excess of \$10,000 annually~~ to fund vertebrate pest management and transfer it to the county vertebrate pest management fund; and

(b) subject to 15-10-420, levy a vertebrate pest management tax ~~not to exceed 2 mills~~ on the taxable valuation of all agricultural, horticultural, grazing, and timber lands and their improvements. Land within a rodent control district may not be taxed in any given year under both 7-22-2222 and this section for the control of rodents as defined in 7-22-2207. Land within a rodent control district may be taxed under this section only a dollar amount that is proportional to the part of the vertebrate pest program's projected fiscal year budget that is allocated to the management and suppression of vertebrate pests other than rodents.

(2) The tax provided for in subsection (1) must be collected as other county taxes and credited to the county vertebrate pest management fund."

**Section 77.** Section 7-32-235, MCA, is amended to read:

**"7-32-235. Search and rescue units authorized -- under control of county sheriff -- optional funding.** (1) A county may establish or recognize one or more search and rescue units within the county.

(2) Except in time of martial rule as provided in 10-1-106, search and rescue units and their officers are under the operational control and supervision of the county sheriff, or the sheriff's designee, having jurisdiction and whose span of control would be considered within reasonable limits.

(3) ~~A~~ Subject to 15-10-420, a county may, after approval by a majority of the people voting on the question at an election held throughout the county, levy an annual tax ~~of not more than 1 mill~~ on each

~~dollar of the taxable value of all taxable property within the county to support one or more search and rescue units established or recognized under subsection (1). The election must be held in conjunction with a regular or primary election as provided in [section 2]."~~

**Section 78.** Section 7-32-4117, MCA, is amended to read:

**"7-32-4117. Group insurance for police officers -- funding.** (1) Cities of all classes, if they provide insurance for other city employees under Title 2, chapter 18, part 7, shall:

(a) provide the same insurance to their respective police officers;

(b) notwithstanding Title 2, chapter 18, part 7, pay no less than the premium rate in effect as of July 1, 1980, for insurance coverage for police officers and their dependents;

(c) provide for collective bargaining or other agreement processes to negotiate additional premium payments beyond the amount guaranteed by subsection (1)(b).

(2) ~~In compliance with 1-2-112 and subject~~ Subject to 15-10-420, the administration of this section is declared a public purpose of a city, which may be paid out of the general fund of the governing body and financed by a levy ~~not to exceed 2 mills~~ on the taxable value of all taxable property within the city or town."

**Section 79.** Section 7-33-2209, MCA, is amended to read:

**"7-33-2209. Finance of fire control activities.** (1) The county governing body may appropriate funds for the purchase, care, and maintenance of firefighting equipment or for the payment of wages in prevention, detection, and suppression of fires.

(2) Subject to 15-10-420, if the general fund is budgeted to the full limit, the county governing body may, at any time fixed by law for levy and assessment of taxes, levy a tax ~~of up to 2 mills or at a rate that will raise \$15,000, whichever is higher~~ for the purposes of subsection (1)."

**Section 80.** Section 7-33-4111, MCA, is amended to read:

**"7-33-4111. Tax levy for volunteer fire departments.** For the purpose of supporting volunteer fire departments in any city or town that does not have a paid fire department and for the purpose of purchasing the necessary equipment for them, the council in any city or town may, subject to 15-10-420, levy, in addition to other levies permitted by law, a ~~special tax not exceeding 4 mills upon~~ on the taxable



1 ~~value of all of the taxable property of in the city or town subject to taxation.~~"

2

3 **Section 81.** Section 7-33-4130, MCA, is amended to read:

4 **"7-33-4130. Group insurance for firefighters -- funding.** (1) Cities of the first and second class,  
5 if they provide insurance for other city employees under Title 2, chapter 18, part 7, shall:

6 (a) provide the same insurance to their respective firefighters;

7 (b) pay no less than the premium rate in effect as of July 1, 1980, for insurance coverage for  
8 firefighters and their dependents notwithstanding the provisions of Title 2, chapter 18, part 7;

9 (c) provide for collective bargaining or other agreement processes to negotiate additional premium  
10 payments beyond the amount guaranteed by subsection (1)(b).

11 (2) Subject to 15-10-420, those incorporated cities and towns that require additional funds to  
12 finance the provisions of this section may levy ~~on property~~, by the amount required to meet these  
13 provisions, a tax ~~not to exceed 2 mills on the dollar upon~~ on the taxable value of all taxable property in  
14 the respective city or town. This levy must be collected in the same manner and at the same time as other  
15 taxes are levied."

16

17 **Section 82.** Section 7-34-102, MCA, is amended to read:

18 **"7-34-102. ~~Special~~ Ambulance service mill levy permitted.** ~~(1)~~ Subject to 15-10-420 and in  
19 addition to all other levies authorized by law, each county, city, or town may levy an annual tax ~~up to 1~~  
20 ~~mill on the dollar of~~ the taxable value of all taxable property within the county, city, or town to defray the  
21 costs incurred in providing ambulance service.

22 ~~(2) In addition to the levy authorized by subsection (1), a county, city, or town may levy an~~  
23 ~~additional 2 mills for the support of ambulance services if, at a regularly scheduled election, the electorate~~  
24 ~~of the county, city, or town approves the imposition of the additional levy."~~

25

26 **Section 83.** Section 7-34-2131, MCA, is amended to read:

27 **"7-34-2131. Hospital district bonds and notes authorized.** (1) (a) A hospital district may borrow  
28 money by the issuance of its bonds to provide funds for payment of part or all of the cost of acquisition,  
29 furnishing, equipment, improvement, extension, and betterment of hospital facilities and to provide an  
30 adequate working capital for a new hospital.

(b) The amount of bonds issued for such purpose and outstanding at any time may not exceed 22.5% of the taxable value of the property ~~therein in the district~~ as ascertained by the last assessment for state and county taxes ~~previous~~ prior to the issuance of ~~such the~~ bonds.

(c) ~~Such~~ The bonds ~~shall~~ must be authorized, sold, and issued and provisions made for their payment in the manner and subject to the conditions and limitations prescribed for bonds of school districts by Title 20, chapter 9, part 4.

(2) (a) A hospital district may borrow money by the issuance of notes to provide funds to finance the costs described in subsection (1) and to finance the working capital requirements of the district. The notes must be authorized and in a form and terms prescribed by a resolution adopted by the board of trustees. The notes must mature over a term not to exceed 15 years.

(b) The principal and interest on the notes must be paid from the taxes levied pursuant to 7-34-2133 ~~and 7-34-2134~~, exclusive of the taxes levied to pay bonds issued in accordance with subsection (1), and all other revenue of the district. The annual amount of principal and interest payable on notes in any fiscal year must be included in the district's budget for that year.

(c) The notes may be secured by a mortgage of or a security interest in all or part of the district's assets and by a pledge of the taxes and revenue of the district, or either of them.

(d) Notes may not be issued unless the projected annual revenue of the district, including the taxes levied pursuant to 7-34-2133 ~~and 7-34-2134~~ but exclusive of the taxes levied to pay bonds, is at least equal to the sum of the cost of operating and maintaining the hospital district plus the maximum amount of principal and interest due in any future fiscal year on the notes proposed to be issued and all notes outstanding upon the issuance of the proposed notes.

(3) ~~Nothing herein shall~~ This section may not be construed to ~~preclude amend or repeal~~ the provisions of Title 50, chapter 6, part 1, allowing the state to apply for and accept federal funds."

**Section 84.** Section 7-34-2133, MCA, is amended to read:

**"7-34-2133. Levy of district taxes --limit on mill levy.** (1) Subject to 15-10-420, the board of county commissioners shall, annually at the time of levying county taxes, fix and levy a tax ~~upon on the~~ taxable value of all taxable property within the hospital district clearly sufficient to raise the amount certified by the board of hospital trustees under 7-34-2132.

~~(2) The tax levied for all hospital district purposes other than payment of bonded indebtedness~~

1 ~~may not in any year exceed 3 mills on each dollar of taxable valuation of property within the district."~~

2

3 **Section 85.** Section 7-34-2204, MCA, is amended to read:

4 **"7-34-2204. Lease Use of county property and funds for health care purposes.** (1) The board of  
5 county commissioners ~~has jurisdiction and power~~ may, under the limitations and restrictions prescribed  
6 by law, ~~to~~ lease county buildings, equipment, furniture, and fixtures for health care facility purposes, with  
7 full power of lessor except as limited in this section, upon the terms and conditions ~~as that~~ that the board may  
8 decide upon. The rentals received under the lease or leases must be paid into the general fund of the  
9 county, ~~or if the lease is of a long-term care facility or portion of a long-term care facility, the rentals must~~  
10 ~~be paid into the county poor fund~~, except as provided in subsection (2)(a).

11 (2) (a) A lease may not be made for a period longer than 5 years except in a case in which bonds  
12 are to be or have been issued in accordance with 7-34-2411, in which case the lease may extend until  
13 the maturity date of the bonds sold and in which case bond payments may be made from lease receipts.

14 (b) The board may not enter into a lease without first having advertised in a newspaper published  
15 in the county at least once a week for 5 weeks that the health care facility or designated portion of a  
16 health care facility, including equipment if applicable, is for lease for health care purposes.

17 (3) Money in the county general fund may be transferred to a state agency to be used as matching  
18 funds for the receipt of federal money for health care purposes."

19

20 **Section 86.** Section 7-34-2303, MCA, is amended to read:

21 **"7-34-2303. Lease of county property for boarding home.** (1) The board of county commissioners  
22 may lease county buildings, equipment, furniture, and fixtures for the purpose of operation of a boarding  
23 home for aged persons, with the full power of a lessor except as limited in this part, upon terms and  
24 conditions ~~as that~~ that the board may decide upon.

25 (2) The rentals received under the lease or leases must be paid into the ~~poor~~ general fund of the  
26 county, or if bonds have been issued under 7-34-2411 to finance or refinance the costs of a boarding  
27 home, the rentals must be applied, as necessary, to the payment of the principal of or interest on the  
28 bonds.

29 (3) (a) Except as provided in subsection (3)(b), the lease may not be made for a period longer than  
30 5 years.

(b) A lease may be made for a period longer than 5 years when bonds are ~~to be or have been~~ issued under 7-34-2411, in which case the lease may extend until the maturity date of the bonds.

(4) The board may not enter into a lease unless it has advertised in a newspaper published in the county at least once a week for 5 weeks that specified buildings and equipment are for lease for the purpose of a boarding home for aged persons."

**Section 87.** Section 7-34-2417, MCA, is amended to read:

**"7-34-2417. Special Health care facility tax levy authorized.** ~~In the event~~ If the bonds are not paid or are not expected to be paid from ordinary revenue of the facility, a county that has issued bonds under 7-34-2411 for a health care facility may, subject to 15-10-420, levy taxes on the taxable value of all taxable property within the county in the manner provided for public hospital districts under 7-34-2133; ~~7-34-2134, 7-34-2135(1), and 7-34-2136, up to a maximum of 3 mills not submitted to a vote of the people and 3 additional mills approved by a vote of the people."~~

**Section 88.** Section 7-35-2122, MCA, is amended to read:

**"7-35-2122. County cemetery tax levy.** Subject to 15-10-420, the board of county commissioners shall, annually at the time of levying county taxes, fix and levy ~~upon a tax on the taxable value of~~ all taxable property within the cemetery district, ~~an amount sufficient to raise~~ taking into account the amount certified by the board of cemetery trustees to be raised by a tax on the property of the district. ~~The tax may not exceed 4 mills on each dollar of taxable valuation on the property of the district."~~

~~**Section 90.** Section 10-2-501, MCA, is amended to read:~~

~~**"10-2-501. Interment allowance for veterans -- payment by county of residence -- veterans' interment supervisor -- definitions.** (1) The board of commissioners of each county in this state shall designate a person in the county, preferably a veteran, as veterans' interment supervisor.~~

~~(2) The veterans' interment supervisor shall cause to be decently interred the body or cremated remains of any veteran who was a resident of the state of Montana at the time of death. In performing this duty, the veterans' interment supervisor shall ensure that the desires of the veteran's personal representative or heirs are not violated. The veterans' interment supervisor may not receive any compensation for duties performed in compliance with this part.~~

~~————(3) The interment may not be made in a burial ground or cemetery or in a portion of a burial ground or cemetery used exclusively for the interment of pauper dead.~~

~~————(4) A sum not to exceed \$250 to defer interment expenses must be paid by the veteran's county of residence.~~

~~————(5) The interment benefits are not available in the case of a veteran whose personal representative or heirs waive the benefits.~~

~~————(6) Whenever interment is of a resident of a Montana veterans' home, a sum not to exceed \$250 to defer interment expenses must be paid by the veteran's county of residence.~~

~~————(7) If a veteran dies while temporarily absent from the state or county of residence, the provisions of this section apply and the interment expenses not exceeding the amount specified in this section must be paid in the same manner as provided in this section.~~

~~————(8) When a veteran dies at an institution of the state of Montana, other than a Montana veterans' home, at a federal institution, or at a private facility and interment for any cause is not made in the veteran's county of residence, the officers of the institution or facility shall provide the proper interment prescribed in this section. The reimbursement for the expense of each interment may not exceed \$250. The expense must be paid by the veteran's county of residence.~~

~~————(9) An interment may not be covered by any special or standing contract under which the cost of interment is reduced below the maximum amount fixed in this section, to the disparagement of proper interment.~~

~~————(10) The veterans' interment supervisor shall, upon request of the deceased veteran's personal representative or heirs, assist in applying to the proper authority for a suitable headstone, as provided by act of congress, and in placing the headstone on the veteran's grave. The reimbursement costs for the shipping and raising of the headstone may not exceed AN AMOUNT EQUAL TO THE ACTUAL COST PAID, UP TO \$70, and must be paid by the veteran's county of residence at the time of death. The expense must be audited and paid as provided in this section for interment expenses.~~

~~————(11) After payment of the first \$30 from county funds, the county treasurer may withhold an amount of the county total monthly remittance to the state treasurer equal to the actual cost paid, up to \$40, for the shipping and raising of each headstone.~~

~~————(12)(11) As used in this part, the following definitions apply:~~

~~————(a) "Interment" has the meaning provided in 37-19-101.~~

~~1 (b) "Residence" is determined as provided in 13-1-112. If the intent of the veteran regarding~~  
~~2 residence cannot be determined under 13-1-112, the costs of interment must be paid by the veteran's~~  
~~3 county of residence at the time of admittance into a Montana veterans' home, a state or federal institution,~~  
~~4 or a private facility."~~

**SECTION 89. SECTION 10-2-501, MCA, IS AMENDED TO READ:**

**"10-2-501. Interment allowance for veterans -- payment by county of residence -- veterans' interment supervisor -- definitions.** (1) The board of commissioners of each county in this state shall designate a person in the county, preferably a veteran, as veterans' interment supervisor.

(2) The veterans' interment supervisor shall cause to be decently interred the body or cremated remains of any veteran who was a resident of the state of Montana at the time of death. In performing this duty, the veterans' interment supervisor shall ensure that the desires of the veteran's personal representative or heirs are not violated. The veterans' interment supervisor may not receive any compensation for duties performed in compliance with this part.

(3) The interment may not be made in a burial ground or cemetery or in a portion of a burial ground or cemetery used exclusively for the interment of pauper dead.

(4) A sum not to exceed \$250 to defer interment expenses must be paid by the veteran's county of residence.

(5) The interment benefits are not available in the case of a veteran whose personal representative or heirs waive the benefits.

(6) Whenever interment is of a resident of a Montana veterans' home, a sum not to exceed \$250 to defer interment expenses must be paid by the veteran's county of residence.

(7) If a veteran dies while temporarily absent from the state or county of residence, the provisions of this section apply and the interment expenses not exceeding the amount specified in this section must be paid in the same manner as provided in this section.

(8) When a veteran dies at an institution of the state of Montana, other than a Montana veterans' home, at a federal institution, or at a private facility and interment for any cause is not made in the veteran's county of residence, the officers of the institution or facility shall provide the proper interment prescribed in this section. The reimbursement for the expense of each interment may not exceed \$250. The expense must be paid by the veteran's county of residence.

(9) An interment may not be covered by any special or standing contract under which the cost of interment is reduced below the maximum amount fixed in this section, to the disparagement of proper interment.

(10) The veterans' interment supervisor shall, upon request of the deceased veteran's personal representative or heirs, assist in applying to the proper authority for a suitable headstone, as provided by act of congress, and in placing the headstone on the veteran's grave. The reimbursement costs for the shipping and raising of the headstone may not exceed an amount equal to the actual cost paid, up to \$70, and must be paid by the veteran's county of residence at the time of death. The expense must be audited and paid as provided in this section for interment expenses.

~~(11) After payment of the first \$30 from county funds, the county treasurer may withhold an amount of the county total monthly remittance to the state treasurer equal to the actual cost paid, up to \$40, for the shipping and raising of each headstone.~~

~~(12)~~(11) As used in this part, the following definitions apply:

(a) "Interment" has the meaning provided in 37-19-101.

(b) "Residence" is determined as provided in 13-1-112. If the intent of the veteran regarding residence cannot be determined under 13-1-112, the costs of interment must be paid by the veteran's county of residence at the time of admittance into a Montana veterans' home, a state or federal institution, or a private facility."

~~Section 91. Section 10-2-603, MCA, is amended to read:~~

~~"10-2-603. Special revenue account -- use of funds -- solicitation. (1) There is an account in the special revenue fund to the credit of the department of military affairs for the state veterans' cemeteries.~~

~~(2) Plot allowances, and donations, and, as provided in 61-3-332, revenue from veterans' license plate sales must be deposited into the account.~~

~~(3) As appropriated by the legislature, money in the account may be used only for the construction, maintenance, operation, and administration of the state veterans' cemeteries.~~

~~(4) The department of military affairs may solicit veterans' license plate sales and VETERANS' LICENSE PLATE SALES AND donations on behalf of the state veterans' cemeteries."~~

SECTION 90. SECTION 10-2-603, MCA, IS AMENDED TO READ:

**"10-2-603. Special revenue account -- use of funds -- solicitation.**

(1) There is an account in the special revenue fund to the credit of the department of military affairs for the state veterans' cemeteries.

(2) Plot allowances, and donations, ~~and, as provided in 61-3-332, revenue from veterans' license plate sales~~ must be deposited into the account.

(3) As appropriated by the legislature, money in the account may be used only for the construction, maintenance, operation, and administration of the state veterans' cemeteries.

(4) The department of military affairs may solicit veterans' license plate sales and donations on behalf of the state veterans' cemeteries."

**Section 91.** Section 13-13-230, MCA, is amended to read:

**"13-13-230. Authorization to increase county mill levy.**

Subject to 15-10-420, a county may levy an amount ~~not exceeding 1 mill as may be~~ necessary to finance the additional cost of administering a special absentee election board program pursuant to 13-13-225 through 13-13-229. The mill levy may not be included as part of any existing mill levy or special mill levy assessed by the county. The amount of any mill levy adopted under this section must be reasonably related to the actual cost of providing services as required by 13-13-225 through 13-13-229."

~~**SECTION 87. SECTION 15-1-111, MCA, IS AMENDED TO READ:**~~

~~**"15-1-111. (Temporary) Reimbursement to local governments and schools -- duties of department and county treasurer -- statutory appropriation.** (1) Prior to September 1, 1990, the department's agent in the county shall supply the following information to the department for each taxing jurisdiction within the county:~~

~~—— (a) the number of mills levied in the jurisdiction for tax year 1989;~~

~~—— (b) the number of mills levied in the jurisdiction for tax year 1990;~~

~~—— (c) the total taxable valuation for tax years 1989 and 1990, reported separately for each year, of all personal property not secured by real property; and~~

~~—— (d) the total taxable valuation for tax years 1989 and 1990, reported separately for each year, of all personal property secured by real property.~~

~~—— (2) After receipt of the information from its agent, the department shall calculate the amount of revenue lost to each taxing jurisdiction, using current year mill levies, due to the annual reduction in~~



personal property tax rates set forth in 15-6-138, prior to 1994, and any reduction in taxes based upon recalculation of the effective tax rate for property in 15-6-145, prior to 1994. The department shall total the amounts for all taxing jurisdictions within the county.

~~(3) (a) The department shall remit to the county treasurer 50% of the amount of revenue reimbursable, determined pursuant to subsection (1), on or before November 30 and the remaining 50% on or before May 31.~~

~~(b) For tax year 1993 through tax year 1998, the department shall remit to the county treasurer of each county the same amount remitted to the county treasurer for the fiscal year 1991, as adjusted by the result of dissolved or combined taxing jurisdictions, as provided for in subsection (7). Fifty percent of the amount must be remitted on or before November 30 and the remaining 50% on or before May 31.~~

~~(c) (i) For tax year 1999 through tax year 2008 each succeeding tax year, the department shall remit to the county treasurer of each county the same amount remitted to the county treasurer for the fiscal year 1991, progressively reduced by 10% of the 1991 amount each year, in accordance with the following schedule:~~

<u>Tax Year</u>	<u>Percentage of 1991</u>
	<u>Remittance Amount</u>
1999	90
2000	80
2001	70
2002	60
2003	50
2004	40
2005	30
2006	20
2007	10
2008 and following years	0 <u>2001</u> .

~~(ii) The amount remitted must be adjusted by the result of dissolved or combined taxing jurisdictions, as provided for in subsection (7). Fifty percent of the amount must be remitted on or before November 30 and the remaining 50% on or before May 31.~~

~~(4) Upon receipt of the reimbursement from the department, the county treasurer shall distribute~~

1 the reimbursement to each taxing jurisdiction as calculated by the department.

2 ~~—— (5) For the purposes of this section and subject to subsection (7), "taxing jurisdiction" means a~~  
3 ~~jurisdiction levying mills against personal property and includes but is not limited to a county, city, school~~  
4 ~~district, tax increment financing district, and miscellaneous taxing district and the state of Montana.~~

5 ~~—— (6) The amounts necessary for the administration of this section are statutorily appropriated, as~~  
6 ~~provided in 17-7-502, from the general fund to reimburse eligible taxing jurisdictions for reductions in tax~~  
7 ~~rates on personal property.~~

8 ~~—— (7) The following apply to taxing jurisdictions that were altered after tax year 1989:~~

9 ~~—— (a) A taxing jurisdiction that existed in tax year 1989 and that no longer exists is not entitled to~~  
10 ~~reimbursement under this section.~~

11 ~~—— (b) A taxing jurisdiction that existed in tax year 1989 and that is split into two or more taxing~~  
12 ~~jurisdictions or that is annexed to or is consolidated with another taxing jurisdiction is entitled to~~  
13 ~~reimbursement based on the portion of 1989 taxable value within each new taxing jurisdiction. The~~  
14 ~~department shall determine the portion of 1989 taxable value located in each taxing jurisdiction.~~

15 ~~—— (c) A taxing jurisdiction that did not exist in tax year 1989 is not entitled to reimbursement under~~  
16 ~~this section unless the jurisdiction was created as described in subsection (7)(b). (Repealed effective July~~  
17 ~~1, 2008--secs. 66(2), 68(2), Ch. 422, L. 1997.)"~~

18  
19 ~~—— **SECTION 88. SECTION 15-1-112, MCA, IS AMENDED TO READ:**~~

20 ~~—— "**15-1-112. Business equipment tax rate reduction reimbursement to local government taxing**~~  
21 ~~**jurisdictions.** (1) On or before January 1, 1996, for the reduction in payment under subsection (4) and by~~  
22 ~~June 1 of 1996, 1997, and 1998 for all other reimbursements in this section, the department of revenue~~  
23 ~~shall determine a reimbursement amount associated with reducing the tax rate in 15-6-138 and provide~~  
24 ~~that information to each county treasurer. The reimbursement amount must be determined for each local~~  
25 ~~government taxing jurisdiction that levied mills on the taxable value of property described in 15-6-138 in~~  
26 ~~the corresponding tax year. However, the reimbursement does not apply to property described in 15-6-138~~  
27 ~~that has a reduced tax rate under 15-24-1402.~~

28 ~~—— (2) (a) The reimbursement amount to be used as the basis for the payment reduction under~~  
29 ~~subsection (4) is the product of multiplying the tax year 1995 taxable value of property described in~~  
30 ~~15-6-138 for each local government taxing jurisdiction by the tax year 1995 mill levy for the jurisdiction~~

1 and then multiplying by 1/9th.

2 ~~—— (b) (i) The reimbursement amount for each local government taxing jurisdiction for tax year 1996~~  
3 ~~is the amount determined under subsection (2)(a) unless the tax year 1996 market value of property~~  
4 ~~described in 15-6-138, for the particular local government taxing jurisdiction, is more than the tax year~~  
5 ~~1995 market value for property described in 15-6-138 in the same jurisdiction.~~

6 ~~—— (ii) If the tax year 1996 market value is greater than the tax year 1995 market value for a particular~~  
7 ~~jurisdiction, then the reimbursement amount for tax year 1996 is the result of subtracting the simulated~~  
8 ~~1996 tax from the 1995 tax. The 1995 tax is the tax for the particular jurisdiction, determined by~~  
9 ~~multiplying the actual taxable valuation of property described in 15-6-138, for tax year 1995, by the tax~~  
10 ~~year 1995 mill levy for the jurisdiction. The simulated 1996 tax for the particular jurisdiction is the actual~~  
11 ~~tax year 1996 taxable value of property described in 15-6-138 multiplied by the tax year 1995 mill levy~~  
12 ~~for the particular jurisdiction. If the simulated 1996 tax is greater than the 1995 tax, the reimbursement~~  
13 ~~amount is zero.~~

14 ~~—— (c) (i) The reimbursement amount for each local government taxing jurisdiction for tax year 1997~~  
15 ~~is the amount determined under subsection (2)(a) multiplied by two unless the tax year 1997 market value~~  
16 ~~of property described in 15-6-138, for the particular local government taxing jurisdiction, is more than the~~  
17 ~~tax year 1995 market value for property described in 15-6-138 in the same jurisdiction.~~

18 ~~—— (ii) If the tax year 1997 market value is greater than the tax year 1995 market value for a particular~~  
19 ~~jurisdiction, then the reimbursement amount for tax year 1997 is the result of subtracting the simulated~~  
20 ~~1997 tax from the 1995 tax. The 1995 tax is the tax for the particular jurisdiction, determined by~~  
21 ~~multiplying the actual taxable valuation of property described in 15-6-138, for tax year 1995, by the tax~~  
22 ~~year 1995 mill levy for the jurisdiction. The simulated 1997 tax for the particular jurisdiction is the actual~~  
23 ~~tax year 1997 taxable value of property described in 15-6-138 multiplied by the tax year 1995 mill levy~~  
24 ~~for the particular jurisdiction. If the simulated 1997 tax is greater than the 1995 tax, the reimbursement~~  
25 ~~amount is zero.~~

26 ~~—— (d) (i) The reimbursement amount for each local government taxing jurisdiction for tax year 1998~~  
27 ~~is the amount determined under subsection (2)(a) multiplied by three unless the tax year 1998 market~~  
28 ~~value of property described in 15-6-138, for the particular local government taxing jurisdiction, is more~~  
29 ~~than the tax year 1995 market value for property described in 15-6-138 in the same jurisdiction.~~

30 ~~—— (ii) If the tax year 1998 market value is greater than the tax year 1995 market value for a particular~~

~~jurisdiction, then the reimbursement amount for tax year 1998 is the result of subtracting the simulated 1998 tax from the 1995 tax. The 1995 tax is the tax for the particular jurisdiction, determined by multiplying the actual taxable valuation of property described in 15-6-138, for tax year 1995, by the tax year 1995 mill levy for the jurisdiction. The simulated 1998 tax for the particular jurisdiction is the actual tax year 1998 taxable value of property described in 15-6-138 multiplied by the tax year 1995 mill levy for the particular jurisdiction. If the simulated 1998 tax is greater than the 1995 tax, the reimbursement amount is zero.~~

~~—— (3) (a) For purposes of this section, "local government taxing jurisdiction" means a local government rather than a state taxing jurisdiction that levied mills against property described in 15-6-138, including county governments, incorporated city and town governments, consolidated county and city governments, tax increment financing districts, local elementary and high school districts, local community college districts, miscellaneous districts, and special districts. The term includes countywide mills levied for equalization of school retirement or transportation.~~

~~—— (b) The term does not include county or state school equalization levies provided for in 20-9-331, 20-9-333, and 20-9-360. It also does not include any state levy for welfare programs provided for in 53-2-813.~~

~~—— (c) Each tax increment financing district must receive the benefit of the state mill on the incremental taxable value of the district.~~

~~—— (4) County treasurers shall reduce the county payment to the state for the levy imposed under 20-9-360 in June of 1996 by an amount equal to 38% of the reimbursement amount determined under subsection (2)(a) for all of the local government taxing jurisdictions in the county.~~

~~—— (5) County treasurers shall reduce the county payment to the state for the levy imposed under 20-9-360 in December of 1996 by an amount equal to 31% of the reimbursement amount for tax year 1996 for all of the local government taxing jurisdictions in the county, as determined by the department under subsection (2).~~

~~—— (6) County treasurers shall reduce the county payment to the state for the levy imposed under 20-9-360 in June of 1997 by an amount equal to 31% of the reimbursement amount for tax year 1996 for all of the local government taxing jurisdictions in the county and by an amount equal to 38% of the reimbursement amount for tax year 1997 for all of the local government taxing jurisdictions in the county, as determined by the department under subsection (2).~~

~~———— (7) County treasurers shall reduce the county payment to the state for the levy imposed under 20-9-360 in December of 1997 by an amount equal to 31% of the reimbursement amount for tax year 1997 for all of the local government taxing jurisdictions in the county, as determined by the department under subsection (2).~~

~~———— (8) County treasurers shall reduce the county payment to the state for the levy imposed under 20-9-360 in June of 1998 by an amount equal to 31% of the reimbursement amount for tax year 1997 for all of the local government taxing jurisdictions in the county and by an amount equal to 38% of the reimbursement amount for tax year 1998 for all of the local government taxing jurisdictions in the county, as determined by the department under subsection (2).~~

~~———— (9) County treasurers shall reduce the county payment to the state for the levy imposed under 20-9-360 in December of 1998 by an amount equal to 31% of the reimbursement amount for tax year 1998 for all of the local government taxing jurisdictions in the county, as determined by the department under subsection (2).~~

~~———— (10) County treasurers shall reduce the county payment to the state for the levy imposed under 20-9-360 in June of 1999 by an amount equal to 69% of the reimbursement amount for tax year 1998 for all of the local government taxing jurisdictions in the county, as determined by the department under subsection (2).~~

~~———— (11) County treasurers shall reduce the county payment to the state for the levy imposed under 20-9-360 in December of the years 1999 through 2007 each year by an amount equal to 31% of the reimbursement amount determined in subsection (13) for all of the local government taxing jurisdictions in the county, as determined by the department under subsection (2).~~

~~———— (12) County treasurers shall reduce the county payment to the state for the levy imposed under 20-9-360 in June of the years 2000 through 2008 each year by an amount equal to 69% of the reimbursement amount determined in subsection (13) for all of the local government taxing jurisdictions in the county, as determined by the department under subsection (2).~~

~~———— (13) (a) The reimbursement amount for tax year 1999 and each subsequent tax year for 9 years must be progressively reduced each year by 10% is 70% of the reimbursement amount for tax year 1998, according to the following schedule:~~

<del>———— Tax Year —————</del>	<del>Percentage of 1998</del>
<del>———— Reimbursement Amount —————</del>	

1	_____ 1999 _____	90
2	_____ 2000 _____	80
3	_____ 2001 _____	70
4	_____ 2002 _____	60
5	_____ 2003 _____	50
6	_____ 2004 _____	40
7	_____ 2005 _____	30
8	_____ 2006 _____	20
9	_____ 2007 _____	10
10	_____ 2008 and following years _____	0.

11 ~~\_\_\_\_\_ (b) The reimbursement amount for each tax year must be the basis for reducing the amount~~  
 12 ~~remitted to the state for the levy imposed under 20-9-360 in December of the same year and June of the~~  
 13 ~~following year.~~

14 ~~\_\_\_\_\_ (14) The county treasurer shall use the funds from the reduced payment to the state for the levy~~  
 15 ~~imposed under 20-9-360 to reimburse each local government taxing jurisdiction in the amount determined~~  
 16 ~~by the department under subsection (2). The reimbursement must be distributed to funds within local~~  
 17 ~~government taxing jurisdictions in the same manner as taxes on property described in 15-6-138 are~~  
 18 ~~distributed. The reimbursement in June must be distributed based on the prior year's mill levy, and the~~  
 19 ~~reimbursement in December must be based on the current year's mill levy.~~

20 ~~\_\_\_\_\_ (15) Each local government taxing jurisdiction receiving reimbursements shall consider the amount~~  
 21 ~~of reimbursement that will be received and lower the mill levy otherwise necessary to fund the budget by~~  
 22 ~~the amount that would otherwise have to be raised by the mill levy.~~

23 ~~\_\_\_\_\_ (16) A local government taxing jurisdiction that ceases to exist after October 1, 1995, will no~~  
 24 ~~longer be considered for revenue loss or reimbursement purposes. A local government taxing jurisdiction~~  
 25 ~~that is created after January 1, 1996, will not be considered for revenue loss or reimbursement purposes.~~  
 26 ~~If a local government taxing jurisdiction that existed prior to January of 1996 is split between two or more~~  
 27 ~~taxing jurisdictions or is annexed to or is consolidated with another taxing jurisdiction, the department shall~~  
 28 ~~determine how much of the revenue loss and reimbursement is attributed to the new jurisdictions."~~

29

30 **Section 92.** Section 15-1-402, MCA, is amended to read:

1           **"15-1-402. Payment of taxes under protest.** (1) The person upon whom a property tax or fee is

2 being imposed under this title may, before the property tax or fee becomes delinquent, pay under written  
3 protest that portion of the property tax or fee protested. The protested payment must:

4           (a) be made to the officer designated and authorized to collect it;

5           (b) specify the grounds of protest; and

6           (c) not exceed the difference between the payment for the immediately preceding tax year and  
7 the amount owing in the tax year protested unless a different amount results from the specified grounds  
8 of protest, which may include but are not limited to changes in assessment due to reappraisal under  
9 15-7-111.

10           (2) A person appealing a property tax or fee pursuant to chapter 2 or 15 shall pay the tax or fee  
11 under protest when due in order to receive a refund. If the tax or fee is not paid under protest when due,  
12 the appeal may continue but a tax or fee may not be refunded as a result of the appeal.

13           (3) If a protested property tax or fee is payable in installments, a subsequent installment portion  
14 considered unlawful by the state tax appeal board need not be paid and an action or suit need not be  
15 commenced to recover the subsequent installment. The determination of the action or suit commenced  
16 to recover the first installment portion paid under protest determines the right of the party paying the  
17 subsequent installment to have it or any part of it refunded to the party or the right of the taxing authority  
18 to collect a subsequent installment not paid by the taxpayer plus interest from the date the subsequent  
19 installment was due.

20           (4) All property taxes and fees paid under protest to a county or municipality must be deposited  
21 by the treasurer of the county or municipality to the credit of a special fund to be designated as a protest  
22 fund and must be retained in the protest fund until the final determination of any action or suit to recover  
23 the taxes and fees unless they are released at the request of the county, municipality, or other local taxing  
24 jurisdiction pursuant to subsection (5). This section does not prohibit the investment of the money of this  
25 fund in the state unified investment program or in any manner provided in Title 7, chapter 6. The provision  
26 creating the special protest fund does not apply to any payments made under protest directly to the state.

27           (5) The governing board of a taxing jurisdiction affected by the payment of taxes under protest  
28 in the second and subsequent years that a tax protest remains unresolved may demand that the treasurer  
29 of the county or municipality pay the requesting taxing jurisdiction all or a portion of the protest payments  
30 to which it is entitled, except the amount paid by the taxpayer in the first year of the protest. The decision

1 in a previous year of a taxing jurisdiction to leave protested taxes in the protest fund does not preclude  
2 it from demanding in a subsequent year any or all of the payments to which it is entitled, except the  
3 first-year protest amount.

4 (6) (a) If action before the county tax appeal board, state tax appeal board, or district court is not  
5 commenced within the time specified or if the action is commenced and finally determined in favor of the  
6 department of revenue, county, municipality, or treasurer of the county or the municipality, the amount  
7 of the protested portions of the property tax or fee must be taken from the protest fund and deposited to  
8 the credit of the fund or funds to which the property tax belongs, less a pro rata deduction for the costs  
9 of administration of the protest fund and related expenses charged to the local government units.

10 (b) If the action is finally determined adversely to the department of revenue, a county, a  
11 municipality, or the treasurer of a county or a municipality, then the treasurer shall, upon receiving a  
12 certified copy of the final judgment in the action from the state tax appeal board or from the district or  
13 supreme court, as appropriate, if the final action of the state tax appeal board is appealed in the time  
14 prescribed, refund to the person in whose favor the judgment is rendered the amount of the protested  
15 portions of the property tax or fee deposited in the protest fund, and not released pursuant to subsection  
16 (5), as the person holding the judgment is entitled to recover, together with interest from the date of  
17 payment under protest, at the greater of:

18 (i) the rate of interest generated from the pooled investment fund provided for in 17-6-203 for the  
19 applicable period; or

20 (ii) 6% a year.

21 (c) If the amount retained in the protest fund is insufficient to pay all sums due the taxpayer, the  
22 treasurer shall apply the available amount first to tax repayment, then to interest owed, and lastly to costs.

23 (d) If the protest action is decided adversely to a taxing jurisdiction and the amount retained in the  
24 protest fund is insufficient to refund the tax payments and costs to which the taxpayer is entitled and for  
25 which local government units are responsible, the treasurer shall bill and the taxing jurisdiction shall refund  
26 to the treasurer that portion of the taxpayer refund, including tax payments and costs, for which the taxing  
27 jurisdiction is proratably responsible.

28 (e) In satisfying the requirements of subsection (6)(d), the taxing jurisdiction is allowed not more  
29 than 1 year from the beginning of the fiscal year following a final resolution of the protest. The taxpayer  
30 is entitled to interest on the unpaid balance at the greater of the rates referred to in subsections (6)(b)(i)



1 and (6)(b)(ii) from the date of payment under protest until the date of final resolution of the protest and  
 2 at the combined rate of the federal reserve discount rate quoted from the federal reserve bank in New  
 3 York, New York, on the date of final resolution, plus four percentage points, from the date of final  
 4 resolution of the protest until refund is made.

5 (7) A taxing jurisdiction may satisfy the requirements of this section by use of funds from one or  
 6 more of the following sources:

7 (a) ~~subject to 15-10-420~~, imposition of a property tax to be collected by a special tax protest  
 8 refund levy;

9 (b) the general fund, ~~except that amount generated by the all-purpose mill levy~~, or any other funds  
 10 legally available to the governing body; and

11 (c) proceeds from the sale of bonds issued by a county, city, or school district for the purpose of  
 12 deriving revenue for the repayment of tax protests lost by the taxing jurisdiction. The governing body of  
 13 a county, city, or school district is authorized to issue the bonds pursuant to procedures established by  
 14 law. The bonds may be issued without being submitted to an election. ~~Subject to 15-10-420~~, property  
 15 Property taxes may be levied to amortize the bonds.

16 (8) If the department revises an assessment that results in a refund of taxes of \$5 or less, a  
 17 refund is not owed."

18

19 ~~Section 94. Section 15-1-501, MCA, is amended to read:~~

20 ~~"15-1-501. Disposition of money from certain designated license and other taxes. (1) The state~~  
 21 ~~treasurer shall deposit to the credit of the state general fund in accordance with the provisions of~~  
 22 ~~subsection (3) all money received from the collection of:~~

23 ~~(a) income taxes, interest, and penalties collected under chapter 30;~~

24 ~~(b) except as provided in 15-31-702, all taxes, interest, and penalties collected under chapter 31;~~

25 ~~(c) oil and natural gas production taxes allocated under 15-36-324(8)(a)(9)(a) and (10)(a) (11)(a);~~

26 ~~(d) electrical energy producer's license taxes under chapter 51;~~

27 ~~(e) [an amount equal to 25% of] the retail telecommunications excise tax collected under Title 15,~~  
 28 ~~chapter 53, part 1;~~

29 ~~(f) liquor license taxes under Title 16;~~

30 ~~(g) fees from driver's licenses, motorcycle endorsements, and duplicate driver's licenses as~~

1 provided in 61-5-121;

2 ~~—— (h) estate taxes under Title 72, chapter 16; and~~

3 ~~—— (i) fees based on the value of currency on deposit and tangible personal property held for~~  
4 ~~safekeeping by a foreign capital depository as provided in 15-31-803.~~

5 ~~—— (2) The department shall also deposit to the credit of the state general fund all money received~~  
6 ~~from the collection of license taxes and fees and all net revenue and receipts from all other sources under~~  
7 ~~the operation of the Montana Alcoholic Beverage Code.~~

8 ~~—— (3) Notwithstanding any other provision of law, the distribution of tax revenue must be made~~  
9 ~~according to the provisions of the law governing allocation of the tax that were in effect for the period in~~  
10 ~~which the tax revenue was recorded for accounting purposes. Tax revenue must be recorded as prescribed~~  
11 ~~by the department of administration, pursuant to 17-1-102(2) and (4), in accordance with generally~~  
12 ~~accepted accounting principles.~~

13 ~~—— (4) All refunds of taxes must be attributed to the funds in which the taxes are currently being~~  
14 ~~recorded. All refunds of interest and penalties must be attributed to the funds in which the interest and~~  
15 ~~penalties are currently being recorded."~~

16  
17 **SECTION 93. SECTION 15-1-501, MCA, IS AMENDED TO READ:**

18 **"15-1-501. Disposition of money from certain designated license and other taxes.** (1) The state  
19 treasurer shall deposit to the credit of the state general fund in accordance with the provisions of  
20 subsection (3) all money received from the collection of:

21 (a) income taxes, interest, and penalties collected under chapter 30;

22 (b) ~~except as provided in 15-31-702,~~ all taxes, interest, and penalties collected under chapter 31;

23 (c) oil and natural gas production taxes allocated under 15-36-324~~(8)(a)~~(9)(a) and ~~(10)(a)~~ (11)(a);

24 (d) electrical energy producer's license taxes under chapter 51;

25 (e) ~~an amount equal to 25% of~~ the retail telecommunications excise tax collected under Title 15,  
26 chapter 53, part 1;

27 (f) liquor license taxes under Title 16;

28 (g) fees from driver's licenses, motorcycle endorsements, and duplicate driver's licenses as  
29 provided in 61-5-121;

30 (h) estate taxes under Title 72, chapter 16; and

(i) fees based on the value of currency on deposit and tangible personal property held for safekeeping by a foreign capital depository as provided in 15-31-803.

(2) The department shall also deposit to the credit of the state general fund all money received from the collection of license taxes and fees and all net revenue and receipts from all other sources under the operation of the Montana Alcoholic Beverage Code.

(3) Notwithstanding any other provision of law, the distribution of tax revenue must be made according to the provisions of the law governing allocation of the tax that were in effect for the period in which the tax revenue was recorded for accounting purposes. Tax revenue must be recorded as prescribed by the department of administration, pursuant to 17-1-102(2) and (4), in accordance with generally accepted accounting principles.

(4) All refunds of taxes must be attributed to the funds in which the taxes are currently being recorded. All refunds of interest and penalties must be attributed to the funds in which the interest and penalties are currently being recorded."

~~Section 95. Section 15-10-420, MCA, is amended to read:~~

~~"15-10-420. Procedure for calculating levy. (1) (a) A Subject to the provisions of this section, a governmental entity that is authorized to impose mills may impose a mill levy sufficient to generate the amount of property taxes actually assessed in the prior year, even if that levy is greater than the levy established by law plus the growth factor provided for in subsection (1)(b). The maximum number of mills that a governmental entity may impose is established by calculating the number of mills required to generate the amount of property tax actually assessed in the governmental unit in the prior year based on the current year taxable value, less the current year's value of newly taxable property, plus the growth factor provided for in subsection (1)(b).~~

~~(b) A governmental entity may include a growth factor in the number of mills calculated pursuant to subsection (1)(a) in an amount that is no more than the greater of:~~

~~(i) 2% of the amount of taxes assessed in the prior year; or~~

~~(ii) the amount of taxable value of REVENUE GENERATED BY newly taxable property in the governmental entity;~~

~~(2) A governmental entity may apply the levy calculated pursuant to subsection (1) plus any additional levies authorized by the voters as provided in [section 2] to all property in the governmental unit;~~

1 including newly taxable property.

2 ~~—— (3) For purposes of this section, newly taxable property includes:~~

3 ~~—— (a) annexation of real property and improvements into a taxing unit;~~

4 ~~—— (b) construction, expansion, or remodeling of improvements;~~

5 ~~—— (c) transfer of property into a taxing unit;~~

6 ~~—— (d) subdivision of real property; and~~

7 ~~—— (e) reclassification of property;~~

8 ~~—— (f)(e) transfer of property from tax-exempt to taxable status; and~~

9 ~~—— (g) revaluations caused by expansion, addition, replacement, or remodeling of improvements.~~

10 ~~—— (4) (a) For purposes of subsection (3)(c), the transfer of property into a taxing unit does not~~

11 ~~include the reduction in the boundary of or the elimination of a tax increment financing district.~~

12 ~~—— (b) For the purpose of subsection (3)(d), the subdivision of real property includes the first sale of~~

13 ~~real property that results in the property being taxable as class four property.~~

14 ~~—— (4)(5) Subsection (1) does not apply to school district general fund levies and the school district~~

15 ~~levy for tuition obligations established in 20-5-324(5) or 20-6-413.~~

16 ~~—— (5)(6) For purposes of subsection (1), taxes imposed:~~

17 ~~—— (a) include registration fees imposed on light vehicles under 61-3-561 and distributed under~~

18 ~~61-3-509(2); and~~

19 ~~—— (b) do not include net or gross proceeds taxes received under 15-6-131 and 15-6-132.~~

20 ~~—— (6)(7) (a) In determining the maximum number of mills in subsection (1), the governmental entity~~

21 ~~shall take into account any change from the prior year in the amount of statutory reimbursements for~~

22 ~~changes in the property tax laws revenue from the entitlement share provided for in [section 1].~~

23 ~~—— (b) The governmental entity shall disregard revenue from:~~

24 ~~—— (i) fees levied in support of district courts;~~

25 ~~—— (ii) grants to district courts; and~~

26 ~~—— (iii) fees from light vehicles allocated to district courts.~~

27 ~~—— (c) The amount of motor vehicle disposition under 61-3-509(2), as that section read on December~~

28 ~~31, 2000, is an increased statutory reimbursement. It The governmental entity may increase the number~~

29 ~~of mills to account for a decrease in reimbursements entitlement share and shall decrease the number of~~

30 ~~mills to fully account for any increase in reimbursements entitlement share.~~

~~———— (7)(8) The department shall calculate, on a statewide basis, the number of mills to be imposed for purposes of 15-10-107, 20-9-331, 20-9-333, 20-9-360, 20-25-423, and 20-25-439, and 53-2-813. However, the number of mills calculated by the department may not exceed the mill levy limits established in those sections. The mill calculation must be established in whole mills. If the mill levy calculation does not result in a whole number of mills, then the calculation must be rounded up to the nearest whole mill.~~

~~———— (9) (a) The provisions of subsection (1) do not prevent or restrict:~~

~~———— (i) a judgment levy under 2-9-316, 7-6-4209, or 7-7-2202;~~

~~———— (ii) a levy to repay taxes paid under protest as provided in 15-1-402; or~~

~~———— (iii) an emergency levy authorized under 10-3-405, 20-9-168, or 20-15-326.~~

~~———— (b) A levy authorized under subsection (9)(a) may not be included in the amount of property taxes actually assessed in a subsequent year.~~

~~———— (8)(10) The department may adopt rules to implement this section. The rules may include a method for calculating the percentage of change in valuation for purposes of determining the elimination of property, new improvements, or newly taxable property in a governmental unit."~~

**Section 94.** Section 15-10-420, MCA, is amended to read:

**"15-10-420. Procedure for calculating levy.** (1) (a) A Subject to the provisions of this section, a governmental entity that is authorized to impose mills may impose a mill levy sufficient to generate the amount of property taxes actually assessed in the prior year, even if that levy is greater than the levy established by law plus one-half of the average rate of inflation for the prior 3 years. The maximum number of mills that a governmental entity may impose is established by calculating the number of mills required to generate the amount of property tax actually assessed in the governmental unit in the prior year based on the current year taxable value, less the current year's value of newly taxable property, plus one-half of the average rate of inflation for the prior 3 years.

(b) A governmental entity that does not impose the maximum number of mills authorized under subsection (1)(a) may carry forward the authority to impose the number of mills equal to the difference between the actual number of mills imposed and the maximum number of mills authorized to be imposed. The mill authority carried forward may be imposed in a subsequent tax year.

(c) For the purposes of subsection (1)(a), the department shall calculate one-half of the average rate of inflation for the prior 3 years by using the consumer price index, U.S. city average, all urban

1 consumers, using the 1982-84 base of 100, as published by the bureau of labor statistics of the United  
2 States department of labor.

3 (2) A governmental entity may apply the levy calculated pursuant to subsection (1) plus any  
4 additional levies authorized by the voters as provided in [section 2] to all property in the governmental unit,  
5 including newly taxable property.

6 (3) For purposes of this section, newly taxable property includes:

7 (a) annexation of real property and improvements into a taxing unit;

8 (b) construction, expansion, or remodeling of improvements;

9 (c) transfer of property into a taxing unit;

10 (d) subdivision of real property; ~~and~~ AND

11 ~~(e) reclassification of property;~~

12 ~~(f)(e) transfer of property from tax-exempt to taxable status; and~~

13 ~~\_\_\_\_\_ (g) revaluations caused by expansion, addition, replacement, or remodeling of improvements; AND~~

14 ~~\_\_\_\_\_ (f) THE DISSOLUTION OR TERMINATION OF A TAX INCREMENT FINANCING DISTRICT.~~

15 (4) (A) FOR THE PURPOSES OF SUBSECTION (1), THE TAXABLE VALUE OF NEWLY TAXABLE PROPERTY INCLUDES  
16 THE RELEASE OF TAXABLE VALUE FROM THE INCREMENTAL TAXABLE VALUE OF A TAX INCREMENT FINANCING DISTRICT  
17 BECAUSE OF:

18 \_\_\_\_\_ (i) A CHANGE IN THE BOUNDARY OF A TAX INCREMENT FINANCING DISTRICT;

19 \_\_\_\_\_ (ii) AN INCREASE IN THE BASE VALUE OF THE TAX INCREMENT FINANCING DISTRICT PURSUANT TO 7-15-4287;

20 OR

21 \_\_\_\_\_ (iii) THE TERMINATION OF A TAX INCREMENT FINANCING DISTRICT. ~~(a) For purposes of subsection (3)(c), the~~  
22 ~~transfer of property into a taxing unit does not include the reduction in the boundary of or the elimination~~  
23 ~~of a tax increment financing district.~~

24 \_\_\_\_\_ (b)(B) For the purpose of subsection (3)(d), the subdivision of real property includes the first sale  
25 of real property that results in the property being taxable as class four property OR AS NONAGRICULTURAL  
26 LAND AS DESCRIBED IN 15-6-133(1)(C).

27 \_\_\_\_\_ (C) FOR THE PURPOSES OF THIS SECTION, NEWLY TAXABLE PROPERTY DOES NOT INCLUDE AN INCREASE IN  
28 APPRAISED VALUE OF LAND THAT WAS PREVIOUSLY VALUED AT 75% OF THE VALUE OF IMPROVEMENTS ON THE LAND,  
29 AS PROVIDED IN 15-7-111(4) AND (5), AS THOSE SUBSECTIONS APPLIED ON DECEMBER 31, 2001.

30 ~~(4)(5)~~ Subsection (1) does not apply to school district general fund levies and the school district

1 levy for tuition obligations established in 20-5-324(5) OR 20-6-413.

2 ~~(5)(6)~~ For purposes of subsection (1), taxes imposed:

3 ~~—— (a) include registration fees imposed on light vehicles under 61-3-561 and distributed under~~  
4 ~~61-3-509(2); and~~

5 ~~—— (b) do not include net or gross proceeds taxes received under 15-6-131 and 15-6-132.~~

6 ~~(6) In determining the maximum number of mills in subsection (1), the governmental entity shall~~  
7 ~~take into account any change from the prior year in the amount of statutory reimbursements for changes~~  
8 ~~in the property tax laws. The amount of motor vehicle disposition under 61-3-509(2), as that section read~~  
9 ~~on December 31, 2000, is an increased statutory reimbursement. It may increase the number of mills to~~  
10 ~~account for a decrease in reimbursements and shall decrease the number of mills to fully account for any~~  
11 ~~increase in reimbursements.~~

12 (7) IN DETERMINING THE MAXIMUM NUMBER OF MILLS IN SUBSECTION (1), THE GOVERNMENTAL ENTITY MAY  
13 INCREASE THE NUMBER OF MILLS TO ACCOUNT FOR A DECREASE IN REIMBURSEMENTS.

14 ~~(7)(8)~~ The department shall calculate, on a statewide basis, the number of mills to be imposed for  
15 purposes of 15-10-107, 20-9-331, 20-9-333, 20-9-360, 20-25-423, and 20-25-439, ~~and 53-2-813.~~  
16 However, the number of mills calculated by the department may not exceed the mill levy limits established  
17 in those sections. The mill calculation must be established in whole mills. If the mill levy calculation does  
18 not result in a whole number of mills, then the calculation must be rounded up to the nearest whole mill.

19 ~~(8)(9)~~ (a) The provisions of subsection (1) do not prevent or restrict:

20 ~~—— (i) a judgment levy under 2-9-316, 7-6-4209, or 7-7-2202;~~

21 ~~—— (ii) a levy to repay taxes paid under protest as provided in 15-1-402; or~~

22 ~~—— (iii) an emergency levy authorized under 10-3-405, 20-9-168, or 20-15-326.~~

23 ~~—— (b) A levy authorized under subsection (8)(a) (9)(A) may not be included in the amount of property~~  
24 ~~taxes actually assessed in a subsequent year.~~

25 ~~(8)(9)(10)~~ The department may adopt rules to implement this section. The rules may include a  
26 method for calculating the percentage of change in valuation for purposes of determining the elimination  
27 of property, new improvements, or newly taxable property in a governmental unit."

28

29 ~~Section 96.~~ Section 15-16-117, MCA, is amended to read:

30 ~~"15-16-117. Personal property -- treasurer's duty to collect certain taxes. (1) The county treasurer~~

~~shall demand payment of poor fund taxes, authorized by 53-2-322, and road taxes, authorized by 7-14-2206 or 7-14-2501 through 7-14-2504, from each person liable for the taxes whose name does not appear on the property tax record. On the neglect or refusal of a person to pay the taxes, the treasurer shall collect the taxes by seizure and sale of any property owned by the person.~~

~~——— (2) Subject to 15-10-420, these taxes must be added in the property tax record to other property taxes of persons paying taxes upon real and personal property and must be paid to the county treasurer at the time of payment of other taxes.~~

~~——— (3) The procedure for the sale of property by the county treasurer for the taxes is regulated by 15-16-119 and 15-17-911.~~

~~——— (4) The provisions of this section do not apply to property for which delinquent property taxes have been suspended or canceled under the provisions of Title 15, chapter 24, part 17."~~

**SECTION 95. SECTION 15-16-117, MCA, IS AMENDED TO READ:**

**"15-16-117. Personal property -- treasurer's duty to collect certain taxes.** (1) The county treasurer shall demand payment of ~~poor fund taxes, authorized by 53-2-322, and~~ road taxes, authorized by 7-14-2206 or 7-14-2501 through 7-14-2504, from each person liable for the taxes whose name does not appear on the property tax record. On the neglect or refusal of a person to pay the taxes, the treasurer shall collect the taxes by seizure and sale of any property owned by the person.

(2) Subject to 15-10-420, these taxes must be added in the property tax record to other property taxes of persons paying taxes upon real and personal property and must be paid to the county treasurer at the time of payment of other taxes.

(3) The procedure for the sale of property by the county treasurer for the taxes is regulated by 15-16-119 and 15-17-911.

(4) The provisions of this section do not apply to property for which delinquent property taxes have been suspended or canceled under the provisions of Title 15, chapter 24, part 17."

**SECTION 97. SECTION 15-24-303, MCA, IS AMENDED TO READ:**

**"15-24-303. (Temporary) Proration of tax on personal property -- refund.** (1) The tax on personal property brought, driven, coming into, or otherwise located in the state on or after the assessment date must be prorated according to the ratio that the remaining number of months in the year bears to the total



number of months in the year. This section does not apply to motor vehicles taxed under Title 61, chapter 3, part 5, or to livestock assessed for which a fee is imposed under 15-24-902(2).

~~———— (2) If property upon which taxes have been paid is removed from the state, the taxpayer may obtain a refund of a prorated portion of the taxes, subject to the requirements of 15-16-613.~~

~~———— **15-24-303. (Effective January 1, 2003) Proration of tax on personal property -- refund.** (1) The tax on personal property brought, driven, coming into, or otherwise located in the state on or after the assessment date must be prorated according to the ratio that the remaining number of months in the year bears to the total number of months in the year. This section does not apply to motor vehicles taxed under Title 61, chapter 3, part 5, or to livestock subject to the per capita levy fee under 15-24-921.~~

~~———— (2) If property upon which taxes have been paid is removed from the state, the taxpayer may obtain a refund of a prorated portion of the taxes, subject to the requirements of 15-16-613."~~

**SECTION 96. SECTION 15-24-303, MCA, IS AMENDED TO READ:**

**"15-24-303. (Temporary) Proration of tax on personal property -- refund.** (1) The tax on personal property brought, driven, coming into, or otherwise located in the state on or after the assessment date must be prorated according to the ratio that the remaining number of months in the year bears to the total number of months in the year. This section does not apply to motor vehicles taxed under Title 61, chapter 3, part 5, or to livestock assessed for which a fee is imposed under 15-24-902(2).

(2) If property upon which taxes have been paid is removed from the state, the taxpayer may obtain a refund of a prorated portion of the taxes, subject to the requirements of 15-16-613.

**15-24-303. (Effective January 1, 2003) Proration of tax on personal property -- refund.** (1) The tax on personal property brought, driven, coming into, or otherwise located in the state on or after the assessment date must be prorated according to the ratio that the remaining number of months in the year bears to the total number of months in the year. This section does not apply to motor vehicles taxed under Title 61, chapter 3, part 5, or to livestock subject to the per capita ~~levy~~ fee under 15-24-921.

(2) If property upon which taxes have been paid is removed from the state, the taxpayer may obtain a refund of a prorated portion of the taxes, subject to the requirements of 15-16-613."

~~**SECTION 98. SECTION 15-24-902, MCA, IS AMENDED TO READ:**~~

~~**"15-24-902. (Temporary) Assessment Number of livestock -- election for assessment on average**~~

**inventory basis.** (1) Except as provided in subsection (2), the department of revenue shall ~~assess~~ determine  
the number of all nonexempt livestock in each county where they are located on February 1 of each year.  
The livestock must be assessed assigned to the person by whom they were owned or claimed or in whose  
possession or control they were at midnight of February 1 in that year.

—— (2) An owner of livestock may elect to have a fee imposed on nonexempt livestock assessed on  
the average inventory basis as provided in 15-24-927. The owner shall file an election with the department  
on the statement required under 15-24-903. An owner of livestock making an election to have a fee  
imposed on nonexempt livestock assessed on the average inventory basis is bound by that election for 6  
years. After 6 years, the election to have a fee imposed on nonexempt livestock assessed on the average  
inventory basis remains in effect unless the owner otherwise notifies the department before February 1.

—— **15-24-902. (Effective January 1, 2003) Assessment Number of livestock.** The department shall  
~~assess~~ determine the number of livestock for the purposes of the per capita levy fee imposed under  
15-24-921 in each county where they are located on February 1 of each year. The livestock must be  
assessed assigned to the person by whom they were owned or claimed or in whose possession or control  
they were at midnight of February 1 in that year."

**SECTION 97. SECTION 15-24-902, MCA, IS AMENDED TO READ:**

**"15-24-902. (Temporary) Assessment Number of livestock --election for assessment on average  
inventory basis.** (1) Except as provided in subsection (2), the department of revenue shall ~~assess~~ determine  
the number of all nonexempt livestock in each county where they are located on February 1 of each year.  
The livestock must be ~~assessed~~ assigned to the person by whom they were owned or claimed or in whose  
possession or control they were at midnight of February 1 in that year.

(2) An owner of livestock may elect to have a fee imposed on nonexempt livestock ~~assessed~~ on  
the average inventory basis as provided in 15-24-927. The owner shall file an election with the department  
on the statement required under 15-24-903. An owner of livestock making an election to have a fee  
imposed on nonexempt livestock ~~assessed~~ on the average inventory basis is bound by that election for 6  
years. After 6 years, the election to have a fee imposed on nonexempt livestock ~~assessed~~ on the average  
inventory basis remains in effect unless the owner otherwise notifies the department before February 1.

**15-24-902. (Effective January 1, 2003) Assessment Number of livestock.** The department shall  
~~assess~~ determine the number of livestock for the purposes of the per capita ~~levy~~ fee imposed under

1 15-24-921 in each county where they are located on February 1 of each year. The livestock must be  
2 ~~assessed~~ assigned to the person by whom they were owned or claimed or in whose possession or control  
3 they were at midnight of February 1 in that year."

4  
5 ~~SECTION 99. SECTION 15-24-904, MCA, IS AMENDED TO READ:~~

6 ~~"15-24-904. (Temporary) Penalty for violation of law. If any person, company, or corporation who~~  
7 ~~is the owner or is in charge of any livestock within this state fails to make the statement or statements~~  
8 ~~as provided in 15-24-903, the department shall, after 10 days' notice to the person who failed to file the~~  
9 ~~report, assess the penalty provided in 15-8-309.~~

10 ~~15-24-904. (Effective January 1, 2003) Penalty for violation of law. If a person, company, or~~  
11 ~~corporation who is the owner or is in charge of livestock within this state fails to make the statement or~~  
12 ~~statements as provided in 15-24-903, the department shall, after 10 days' notice to the person who failed~~  
13 ~~to file the report, assess the penalty provided in 15-8-309 [on the] on the per capita levy fee, as provided~~  
14 ~~in 15-24-921."~~

15  
16 SECTION 98. SECTION 15-24-904, MCA, IS AMENDED TO READ:

17 **"15-24-904. (Temporary) Penalty for violation of law.** If any person, company, or corporation who  
18 is the owner or is in charge of any livestock within this state fails to make the statement or statements  
19 as provided in 15-24-903, the department shall, after 10 days' notice to the person who failed to file the  
20 report, assess the penalty provided in 15-8-309.

21 **15-24-904. (Effective January 1, 2003) Penalty for violation of law.** If a person, company, or  
22 corporation who is the owner or is in charge of livestock within this state fails to make the statement or  
23 statements as provided in 15-24-903, the department shall, after 10 days' notice to the person who failed  
24 to file the report, assess the penalty provided in 15-8-309 ~~[on the]~~ on the per capita levy fee, as provided  
25 in 15-24-921."

26  
27 ~~Section 100. Section 15-24-921, MCA, is amended to read:~~

28 ~~"15-24-921. Per capita tax levy fee to pay expenses of enforcing livestock laws. (1) In addition~~  
29 ~~to appropriations made for those purposes, a per capita tax fee is authorized and directed to be levied~~  
30 ~~imposed by the department on all poultry and bees, all swine 3 months of age or older, and all other~~

1 livestock 9 months of age or older in each county of this state for the purpose of aiding in the payment  
2 of the salaries and all expenses connected with the enforcement of the livestock laws of the state and for  
3 the payment of bounties on wild animals as provided in 81-7-104.

4 ~~——— (2) As used in this section, "livestock" means cattle, sheep, swine, poultry, bees, goats, horses,~~  
5 ~~mules, asses, llamas, alpacas, domestic bison, ostriches, rheas, and emus, and domestic ungulates."~~

6

7 **SECTION 99.** SECTION 15-24-921, MCA, IS AMENDED TO READ:

8 **"15-24-921. Per capita ~~tax~~ levy fee to pay expenses of enforcing livestock laws.** (1) In addition  
9 to appropriations made for those purposes, a per capita ~~tax~~ fee is authorized and directed to be ~~levied~~  
10 imposed by the department on all poultry and bees, all swine 3 months of age or older, and all other  
11 livestock 9 months of age or older in each county of this state for the purpose of aiding in the payment  
12 of the salaries and all expenses connected with the enforcement of the livestock laws of the state and for  
13 the payment of bounties on wild animals as provided in 81-7-104.

14 (2) As used in this section, "livestock" means cattle, sheep, swine, poultry, bees, goats, horses,  
15 mules, asses, llamas, alpacas, domestic bison, ostriches, rheas, and emus, and domestic ungulates."

16

17 ~~——— **Section 101.** Section 15-24-922, MCA, is amended to read:~~

18 ~~——— **"15-24-922. (Temporary) Board of livestock to prescribe per capita levy fee -- refunds -- per capita**~~  
19 ~~**levy fee on average inventory.** (1) The board of livestock shall annually prescribe the amount of the per~~  
20 ~~capita levy fee to be made against livestock of all classes for the purpose indicated in 15-24-921.~~

21 ~~——— (2) The per capita tax levy fee must be calculated each year to provide not more than 110% of~~  
22 ~~the average annual revenue that was generated in the 3 previous years. The calculation must apply a~~  
23 ~~reasonable factor for nonpayment and late payment of taxes fees and for reimbursement to the counties~~  
24 ~~DEPARTMENT pursuant to 15-24-925 for collection of the levy fee.~~

25 ~~——— (3) (a) A livestock owner taxed under 15-24-920 is entitled to a refund of the per capita levy fee~~  
26 ~~collected under 15-24-921 based on the number of months the livestock have taxable situs in the state.~~  
27 ~~The amount of the refund is equal to the ratio of the number of months that the livestock do not have~~  
28 ~~taxable situs in the state to the number of months in the tax year, multiplied by the original per capita levy~~  
29 ~~fee due. A taxpayer shall apply to the board of livestock on a form prescribed by the board for a refund~~  
30 ~~allowed under this subsection by January 31 following the taxable tax year. The application must include~~

1 a statement showing the date when the livestock were moved out of the state.

2 ~~—— (b) Except as provided in subsection (3)(c), for the purposes of 15-24-921 and this section, the~~  
3 ~~per capita levy fee may not be prorated.~~

4 ~~—— (c) A taxpayer whose livestock are taxed on the average inventory basis for property tax purposes~~  
5 ~~must also be taxed subject to the fee on an average inventory basis for the purposes of 15-24-921 and~~  
6 ~~this section. All other livestock subject to the per capita tax levy fee must be reported on February 1 of~~  
7 ~~each year.~~

8 ~~—— 15-24-922. (Effective January 1, 2003) Board of livestock to prescribe per capita levy fee --~~  
9 ~~refunds. (1) The board of livestock shall annually prescribe the amount of the per capita levy fee to be~~  
10 ~~made against livestock of all classes for the purpose indicated in 15-24-921.~~

11 ~~—— (2) The per capita tax levy fee must be calculated each year to provide not more than 110% of~~  
12 ~~the average annual revenue that was generated in the 3 previous years. The calculation must apply a~~  
13 ~~reasonable factor for nonpayment and late payment of taxes fees and for reimbursement to the counties~~  
14 ~~DEPARTMENT pursuant to 15-24-925 for collection of the levy fee.~~

15 ~~—— (3) (a) A livestock owner who moves livestock between states is entitled to a refund of the per~~  
16 ~~capita levy fee collected under 15-24-921 based on the number of months that the livestock have taxable~~  
17 ~~situs in Montana. The amount of the refund is equal to the ratio of the number of months that the livestock~~  
18 ~~do not have taxable situs in the state to the number of months in the tax year, multiplied by the original~~  
19 ~~per capita levy fee due. A taxpayer shall apply to the board of livestock on a form prescribed by the board~~  
20 ~~for a refund allowed under this subsection by January 31 of the following the taxable year. The application~~  
21 ~~must include a statement showing the date when the livestock were moved out of the state.~~

22 ~~—— (b) For the purposes of 15-24-921 and this section, the per capita levy fee may not be prorated."~~

23

24 **SECTION 100. SECTION 15-24-922, MCA, IS AMENDED TO READ:**

25 **"15-24-922. (Temporary) Board of livestock to prescribe per capita levy fee -- refunds -- per capita**  
26 **levy fee on average inventory. (1) The board of livestock shall annually prescribe the amount of the per**  
27 **capita levy fee to be made against livestock of all classes for the purpose indicated in 15-24-921.**

28 **(2) The per capita tax levy fee must be calculated each year to provide not more than 110% of**  
29 **the average annual revenue that was generated in the 3 previous years. The calculation must apply a**  
30 **reasonable factor for nonpayment and late payment of taxes fees and for reimbursement to the counties**

1 department pursuant to 15-24-925 for collection of the ~~levy~~ fee.

2 (3) (a) A livestock owner taxed under 15-24-920 is entitled to a refund of the per capita ~~levy~~ fee  
3 collected under 15-24-921 based on the number of months the livestock have taxable situs in the state.  
4 The amount of the refund is equal to the ratio of the number of months that the livestock do not have  
5 taxable situs in the state to the number of months in the tax year, multiplied by the original per capita ~~levy~~  
6 fee due. A taxpayer shall apply to the board of livestock on a form prescribed by the board for a refund  
7 allowed under this subsection by January 31 following the ~~taxable~~ tax year. The application must include  
8 a statement showing the date when the livestock were moved out of the state.

9 (b) Except as provided in subsection (3)(c), for the purposes of 15-24-921 and this section, the  
10 per capita ~~levy~~ fee may not be prorated.

11 (c) A taxpayer whose livestock are taxed on the average inventory basis for property tax purposes  
12 must also be ~~taxed~~ subject to the fee on an average inventory basis for the purposes of 15-24-921 and  
13 this section. All other livestock subject to the per capita ~~tax-levy~~ fee must be reported on February 1 of  
14 each year.

15 **15-24-922. (Effective January 1, 2003) Board of livestock to prescribe per capita ~~levy~~ fee --**  
16 **refunds.** (1) The board of livestock shall annually prescribe the amount of the per capita ~~levy~~ fee to be  
17 made against livestock of all classes for the purpose indicated in 15-24-921.

18 (2) The per capita ~~tax-levy~~ fee must be calculated each year to provide not more than 110% of  
19 the average annual revenue that was generated in the 3 previous years. The calculation must apply a  
20 reasonable factor for nonpayment and late payment of ~~taxes~~ fees and for reimbursement to the ~~counties~~  
21 department pursuant to 15-24-925 for collection of the ~~levy~~ fee.

22 (3) (a) A livestock owner who moves livestock between states is entitled to a refund of the per  
23 capita ~~levy~~ fee collected under 15-24-921 based on the number of months that the livestock have ~~taxable~~  
24 situs in Montana. The amount of the refund is equal to the ratio of the number of months that the livestock  
25 do not have ~~taxable~~ situs in the state to the number of months in the ~~tax~~ year, multiplied by the original  
26 per capita ~~levy~~ fee due. A taxpayer shall apply to the board of livestock on a form prescribed by the board  
27 for a refund allowed under this subsection by January 31 of the following ~~the taxable~~ year. The application  
28 must include a statement showing the date when the livestock were moved out of the state.

29 (b) For the purposes of 15-24-921 and this section, the per capita ~~levy~~ fee may not be prorated."  
30

1 ~~Section 102.~~ Section 15-24-925, MCA, is amended to read:

2 ~~"15-24-925. Reimbursement to county DEPARTMENT -- transmission of taxes fees from county to~~

3 ~~state treasurer.~~ (1) The county treasurer ~~DEPARTMENT~~ may withhold 2% of the money received under

4 ~~15-24-921 as reimbursement to the county for the collection of the levy fee on livestock.~~

5 ~~(2) Except for the amount withheld under subsection (1), the taxes levied fees imposed and the~~

6 ~~money collected pursuant to the provisions of 15-24-922 must be transmitted to the state treasury by the~~

7 ~~county treasurer of each county, as provided in 15-1-504, but not later than July 1 following assessment~~

8 ~~imposition of the fee. The county treasurer DEPARTMENT shall designate the amount received from the tax~~

9 ~~levied fee imposed on sheep and the amount received from the tax levied fee imposed on all other livestock~~

10 ~~and shall specify the separate amounts in the report to the state treasurer DEPARTMENT OF LIVESTOCK. The~~

11 ~~money, when received by the state treasurer DEPARTMENT, must be deposited in an account in the special~~

12 ~~revenue fund to the credit of the department of livestock. The money in the account must be kept separate~~

13 ~~from other funds received by the department of livestock."~~

14

15 **SECTION 101.** SECTION 15-24-925, MCA, IS AMENDED TO READ:

16 **"15-24-925. Reimbursement to county department -- transmission of taxes fees from county to**

17 **state treasurer.** (1) The county treasurer ~~department~~ may withhold 2% of the money received under

18 ~~15-24-921 as reimbursement to the county for the collection of the levy fee on livestock.~~

19 (2) Except for the amount withheld under subsection (1), the taxes levied and the money collected

20 pursuant to the provisions of 15-24-922 must be transmitted to the state treasury by the county treasurer

21 of each county, as provided in 15-1-504, but not later than July 1 following assessment. The county

22 treasurer ~~department~~ shall designate the amount received from the tax levied fee imposed on sheep and

23 the amount received from the ~~tax levied~~ fee imposed on all other livestock and shall specify the separate

24 amounts in the report to the state treasurer department of livestock. The money, when received by the

25 ~~state treasurer department~~, must be deposited in an account in the special revenue fund to the credit of

26 the department of livestock. The money in the account must be kept separate from other funds received

27 by the department of livestock."

28

29 ~~Section 103.~~ Section 15-30-121, MCA, is amended to read:

30 ~~"15-30-121. Deductions allowed in computing net income. (1) In computing net income, there~~

1 ~~are allowed as deductions:~~

2 ~~—— (a) the items referred to in sections 161, including the contributions referred to in~~  
3 ~~33-15-201(5)(b), and 211 of the Internal Revenue Code of 1954 (26 U.S.C. 161 and 211), or as sections~~

4 ~~161 and 211 are labeled or amended, subject to the following exceptions, which are not deductible:~~

5 ~~—— (i) items provided for in 15-30-123;~~

6 ~~—— (ii) state income tax paid;~~

7 ~~—— (iii) premium payments for medical care as provided in subsection (1)(g)(i);~~

8 ~~—— (iv) long-term care insurance premium payments as provided in subsection (1)(g)(ii);~~

9 ~~—— (b) federal income tax paid within the tax year;~~

10 ~~—— (c) expenses of household and dependent care services as outlined in subsections (1)(c)(i) through~~

11 ~~(1)(c)(iii) and (2) and subject to the limitations and rules as set out in subsections (1)(c)(iv) through~~

12 ~~(1)(c)(vi), as follows:~~

13 ~~—— (i) expenses for household and dependent care services necessary for gainful employment incurred~~  
14 ~~for:~~

15 ~~—— (A) a dependent under 15 years of age for whom an exemption can be claimed;~~

16 ~~—— (B) a dependent as allowable under 15-30-112(5), except that the limitations for age and gross~~  
17 ~~income do not apply, who is unable to provide self-care because of physical or mental illness; and~~

18 ~~—— (C) a spouse who is unable to provide self-care because of physical or mental illness;~~

19 ~~—— (ii) employment-related expenses incurred for the following services, but only if the expenses are~~  
20 ~~incurred to enable the taxpayer to be gainfully employed:~~

21 ~~—— (A) household services that are attributable to the care of the qualifying individual; and~~

22 ~~—— (B) care of an individual who qualifies under subsection (1)(c)(i);~~

23 ~~—— (iii) expenses incurred in maintaining a household if over half of the cost of maintaining the~~  
24 ~~household is furnished by an individual or, if the individual is married during the applicable period, is~~  
25 ~~furnished by the individual and the individual's spouse;~~

26 ~~—— (iv) the amounts deductible in subsections (1)(c)(i) through (1)(c)(iii), subject to the following~~  
27 ~~limitations:~~

28 ~~—— (A) a deduction is allowed under subsection (1)(c)(i) for employment-related expenses incurred~~  
29 ~~during the year only to the extent that the expenses do not exceed \$4,800;~~

30 ~~—— (B) expenses for services in the household are deductible under subsection (1)(c)(i) for~~



~~1 employment-related expenses only if they are incurred for services in the taxpayer's household, except~~  
~~2 that employment-related expenses incurred for services outside the taxpayer's household are deductible,~~  
~~3 but only if incurred for the care of a qualifying individual described in subsection (1)(c)(i)(A) and only to~~  
~~4 the extent that the expenses incurred during the year do not exceed:~~  
~~5 — (i) \$2,400 in the case of one qualifying individual;~~  
~~6 — (ii) \$3,600 in the case of two qualifying individuals; and~~  
~~7 — (iii) \$4,800 in the case of three or more qualifying individuals;~~  
~~8 — (v) if the combined adjusted gross income of the taxpayers exceeds \$18,000 for the tax year~~  
~~9 during which the expenses are incurred, the amount of the employment-related expenses incurred, to be~~  
~~10 reduced by one-half of the excess of the combined adjusted gross income over \$18,000;~~  
~~11 — (vi) for purposes of this subsection (1)(c):~~  
~~12 — (A) married couples shall file a joint return or file separately on the same form;~~  
~~13 — (B) if the taxpayer is married during any period of the tax year, employment-related expenses~~  
~~14 incurred are deductible only if:~~  
~~15 — (i) both spouses are gainfully employed, in which case the expenses are deductible only to the~~  
~~16 extent that they are a direct result of the employment; or~~  
~~17 — (ii) the spouse is a qualifying individual described in subsection (1)(c)(i)(C);~~  
~~18 — (C) an individual legally separated from the individual's spouse under a decree of divorce or of~~  
~~19 separate maintenance may not be considered as married;~~  
~~20 — (D) the deduction for employment-related expenses must be divided equally between the spouses~~  
~~21 when filing separately on the same form;~~  
~~22 — (E) payment made to a child of the taxpayer who is under 19 years of age at the close of the tax~~  
~~23 year and payments made to an individual with respect to whom a deduction is allowable under~~  
~~24 15-30-112(5) are not deductible as employment-related expenses;~~  
~~25 — (d) in the case of an individual, political contributions determined in accordance with the provisions~~  
~~26 of section 218(a) and (b) of the Internal Revenue Code (now repealed) that were in effect for the tax year~~  
~~27 ended December 31, 1978;~~  
~~28 — (e) that portion of expenses for organic fertilizer and inorganic fertilizer produced as a byproduct~~  
~~29 allowed as a deduction under 15-32-303 that was not otherwise deducted in computing taxable income;~~  
~~30 — (f) contributions to the child abuse and neglect prevention program provided for in 41-3-701;~~

1 ~~subject to the conditions set forth in 15-30-156;~~  
2 ~~—— (g) the entire amount of premium payments made by the taxpayer, except premiums deducted in~~  
3 ~~determining Montana adjusted gross income, or for which a credit was claimed under 15-30-128, for:~~  
4 ~~—— (i) insurance for medical care, as defined in 26 U.S.C. 213(d), for coverage of the taxpayer, the~~  
5 ~~taxpayer's dependents, and the parents and grandparents of the taxpayer; and~~  
6 ~~—— (ii) long-term care insurance policies or certificates that provide coverage primarily for any qualified~~  
7 ~~long-term care services, as defined in 26 U.S.C. 7702B(c), for:~~  
8 ~~—— (A) the benefit of the taxpayer for tax years beginning after December 31, 1994; or~~  
9 ~~—— (B) the benefit of the taxpayer, the taxpayer's dependents, and the parents and grandparents of~~  
10 ~~the taxpayer for tax years beginning after December 31, 1996;~~  
11 ~~—— (h) contributions to the Montana drug abuse resistance education program provided for in~~  
12 ~~44-2-702, subject to the conditions set forth in 15-30-159; and~~  
13 ~~—— (i) light vehicle registration fees, as provided for in 61-3-560 through 61-3-562, paid during the~~  
14 ~~tax year;~~  
15 ~~—— (j) per capita livestock fees imposed pursuant to 15-24-921, 15-24-922, 81-6-104, 81-6-204,~~  
16 ~~81-6-209, 81-7-118, or 81-7-201.~~  
17 ~~—— (2) (a) Subject to the conditions of subsection (1)(c), a taxpayer who operates a family day-care~~  
18 ~~home or a group day-care home, as these terms are defined in 52-2-703, and who cares for the taxpayer's~~  
19 ~~own child and at least one unrelated child in the ordinary course of business may deduct~~  
20 ~~employment-related expenses considered to have been paid for the care of the child.~~  
21 ~~—— (b) The amount of employment-related expenses considered to have been paid by the taxpayer~~  
22 ~~is equal to the amount that the taxpayer charges for the care of a child of the same age for the same~~  
23 ~~number of hours of care. The employment-related expenses apply regardless of whether any expenses~~  
24 ~~actually have been paid. Employment-related expenses may not exceed the amounts specified in~~  
25 ~~subsection (1)(c)(iv)(B).~~  
26 ~~—— (c) Only a day-care operator who is licensed and registered as required in 52-2-721 is allowed the~~  
27 ~~deduction under this subsection (2). (Subsection (1)(h) terminates on occurrence of contingency--sec. 12,~~  
28 ~~Ch. 808, L. 1991.)"~~

29

30 SECTION 102. SECTION 15-30-121, MCA, IS AMENDED TO READ:

**"15-30-121. Deductions allowed in computing net income.** (1) In computing net income, there

are allowed as deductions:

(a) the items referred to in sections 161, including the contributions referred to in 33-15-201(5)(b), and 211 of the Internal Revenue Code of 1954 (26 U.S.C. 161 and 211), or as sections 161 and 211 are labeled or amended, subject to the following exceptions, which are not deductible:

(i) items provided for in 15-30-123;

(ii) state income tax paid;

(iii) premium payments for medical care as provided in subsection (1)(g)(i);

(iv) long-term care insurance premium payments as provided in subsection (1)(g)(ii);

(b) federal income tax paid within the tax year;

(c) expenses of household and dependent care services as outlined in subsections (1)(c)(i) through (1)(c)(iii) and (2) and subject to the limitations and rules as set out in subsections (1)(c)(iv) through (1)(c)(vi), as follows:

(i) expenses for household and dependent care services necessary for gainful employment incurred for:

(A) a dependent under 15 years of age for whom an exemption can be claimed;

(B) a dependent as allowable under 15-30-112(5), except that the limitations for age and gross income do not apply, who is unable to provide self-care because of physical or mental illness; and

(C) a spouse who is unable to provide self-care because of physical or mental illness;

(ii) employment-related expenses incurred for the following services, but only if the expenses are incurred to enable the taxpayer to be gainfully employed:

(A) household services that are attributable to the care of the qualifying individual; and

(B) care of an individual who qualifies under subsection (1)(c)(i);

(iii) expenses incurred in maintaining a household if over half of the cost of maintaining the household is furnished by an individual or, if the individual is married during the applicable period, is furnished by the individual and the individual's spouse;

(iv) the amounts deductible in subsections (1)(c)(i) through (1)(c)(iii), subject to the following limitations:

(A) a deduction is allowed under subsection (1)(c)(i) for employment-related expenses incurred during the year only to the extent that the expenses do not exceed \$4,800;

(B) expenses for services in the household are deductible under subsection (1)(c)(i) for employment-related expenses only if they are incurred for services in the taxpayer's household, except that employment-related expenses incurred for services outside the taxpayer's household are deductible, but only if incurred for the care of a qualifying individual described in subsection (1)(c)(i)(A) and only to the extent that the expenses incurred during the year do not exceed:

(I) \$2,400 in the case of one qualifying individual;

(II) \$3,600 in the case of two qualifying individuals; and

(III) \$4,800 in the case of three or more qualifying individuals;

(v) if the combined adjusted gross income of the taxpayers exceeds \$18,000 for the tax year during which the expenses are incurred, the amount of the employment-related expenses incurred, to be reduced by one-half of the excess of the combined adjusted gross income over \$18,000;

(vi) for purposes of this subsection (1)(c):

(A) married couples shall file a joint return or file separately on the same form;

(B) if the taxpayer is married during any period of the tax year, employment-related expenses incurred are deductible only if:

(I) both spouses are gainfully employed, in which case the expenses are deductible only to the extent that they are a direct result of the employment; or

(II) the spouse is a qualifying individual described in subsection (1)(c)(i)(C);

(C) an individual legally separated from the individual's spouse under a decree of divorce or of separate maintenance may not be considered as married;

(D) the deduction for employment-related expenses must be divided equally between the spouses when filing separately on the same form;

(E) payment made to a child of the taxpayer who is under 19 years of age at the close of the tax year and payments made to an individual with respect to whom a deduction is allowable under 15-30-112(5) are not deductible as employment-related expenses;

(d) in the case of an individual, political contributions determined in accordance with the provisions of section 218(a) and (b) of the Internal Revenue Code (now repealed) that were in effect for the tax year ended December 31, 1978;

(e) that portion of expenses for organic fertilizer and inorganic fertilizer produced as a byproduct allowed as a deduction under 15-32-303 that was not otherwise deducted in computing taxable income;

(f) contributions to the child abuse and neglect prevention program provided for in 41-3-701, subject to the conditions set forth in 15-30-156;

(g) the entire amount of premium payments made by the taxpayer, except premiums deducted in determining Montana adjusted gross income, or for which a credit was claimed under 15-30-128, for:

(i) insurance for medical care, as defined in 26 U.S.C. 213(d), for coverage of the taxpayer, the taxpayer's dependents, and the parents and grandparents of the taxpayer; and

(ii) long-term care insurance policies or certificates that provide coverage primarily for any qualified long-term care services, as defined in 26 U.S.C. 7702B(c), for:

(A) the benefit of the taxpayer for tax years beginning after December 31, 1994; or

(B) the benefit of the taxpayer, the taxpayer's dependents, and the parents and grandparents of the taxpayer for tax years beginning after December 31, 1996;

(h) contributions to the Montana drug abuse resistance education program provided for in 44-2-702, subject to the conditions set forth in 15-30-159; ~~and~~

(i) light vehicle registration fees, as provided for in 61-3-560 through 61-3-562, paid during the tax year; and

(j) per capita livestock fees imposed pursuant to 15-24-921, 15-24-922, 81-6-104, 81-6-204, 81-6-209, 81-7-118, or 81-7-201.

(2) (a) Subject to the conditions of subsection (1)(c), a taxpayer who operates a family day-care home or a group day-care home, as these terms are defined in 52-2-703, and who cares for the taxpayer's own child and at least one unrelated child in the ordinary course of business may deduct employment-related expenses considered to have been paid for the care of the child.

(b) The amount of employment-related expenses considered to have been paid by the taxpayer is equal to the amount that the taxpayer charges for the care of a child of the same age for the same number of hours of care. The employment-related expenses apply regardless of whether any expenses actually have been paid. Employment-related expenses may not exceed the amounts specified in subsection (1)(c)(iv)(B).

(c) Only a day-care operator who is licensed and registered as required in 52-2-721 is allowed the deduction under this subsection (2). (Subsection (1)(h) terminates on occurrence of contingency--sec. 12, Ch. 808, L. 1991.)"

1 ~~Section 104.~~ Section 15-31-114, MCA, is amended to read:

2 ~~"15-31-114. Deductions allowed in computing income.~~ (1) In computing the net income, the  
3 following deductions are allowed from the gross income received by the corporation within the year from  
4 all sources:

5 ~~(a) all the ordinary and necessary expenses paid or incurred during the taxable year in the~~  
6 ~~maintenance and operation of its business and properties, including reasonable allowance for salaries for~~  
7 ~~personal services actually rendered, subject to the limitation contained in this section, and rentals or other~~  
8 ~~payments required to be made as a condition to the continued use or possession of property to which the~~  
9 ~~corporation has not taken or is not taking title or in which it has no equity. A deduction is not allowed for~~  
10 ~~salaries paid upon which the recipient has not paid Montana state income tax. However, when domestic~~  
11 ~~corporations are taxed on income derived from outside the state, salaries of officers paid in connection~~  
12 ~~with securing the income are deductible.~~

13 ~~(b) (i) all losses actually sustained and charged off within the year and not compensated by~~  
14 ~~insurance or otherwise, including a reasonable allowance for the wear and tear and obsolescence of~~  
15 ~~property used in the trade or business. The allowance is determined according to the provisions of section~~  
16 ~~167 of the Internal Revenue Code in effect with respect to the taxable year. All elections for depreciation~~  
17 ~~must be the same as the elections made for federal income tax purposes. A deduction is not allowed for~~  
18 ~~any amount paid out for any buildings, permanent improvements, or betterments made to increase the~~  
19 ~~value of any property or estate, and a deduction may not be made for any amount of expense of restoring~~  
20 ~~property or making good the exhaustion of property for which an allowance is or has been made. A~~  
21 ~~depreciation or amortization deduction is not allowed on a title plant as defined in 33-25-105(15).~~

22 ~~(ii) There is allowed as a deduction for the taxable period a net operating loss deduction determined~~  
23 ~~according to the provisions of 15-31-119.~~

24 ~~(c) in the case of mines, other natural deposits, oil and gas wells, and timber, a reasonable~~  
25 ~~allowance for depletion and for depreciation of improvements. The reasonable allowance must be~~  
26 ~~determined according to the provisions of the Internal Revenue Code in effect for the taxable year. All~~  
27 ~~elections made under the Internal Revenue Code with respect to capitalizing or expensing exploration and~~  
28 ~~development costs and intangible drilling expenses for corporation license tax purposes must be the same~~  
29 ~~as the elections made for federal income tax purposes.~~

30 ~~(d) The amount of interest paid within the year on its indebtedness incurred in the operation of~~

1 the business from which its income is derived. Interest may not be allowed as a deduction if paid on an  
2 indebtedness created for the purchase, maintenance, or improvement of property or for the conduct of  
3 business unless the income from the property or business would be taxable under this part:  
4 ——— (e) (i) taxes paid within the year, except the following:  
5 ——— (A) taxes imposed by this part;  
6 ——— (B) taxes assessed against local benefits of a kind tending to increase the value of the property  
7 assessed;  
8 ——— (C) taxes on or according to or measured by net income or profits imposed by authority of the  
9 government of the United States;  
10 ——— (D) taxes imposed by any other state or country upon or measured by net income or profits.  
11 ——— (ii) Taxes deductible under this part must be construed to include taxes imposed by any county,  
12 school district, or municipality of this state:  
13 ——— (f) that portion of an energy-related investment allowed as a deduction under 15-32-103;  
14 ——— (g) (i) except as provided in subsection (1)(g)(ii), charitable contributions and gifts that qualify for  
15 deduction under section 170 of the Internal Revenue Code, as amended.  
16 ——— (ii) The public service commission may not allow in the rate base of a regulated corporation the  
17 inclusion of contributions made under this subsection.  
18 ——— (h) per capita livestock fees imposed pursuant to 15-24-921, 15-24-922, 81-6-104, 81-6-204,  
19 81-6-209, 81-7-118, or 81-7-201.  
20 ——— (2) In lieu of the deduction allowed under subsection (1)(g), the taxpayer may deduct the fair  
21 market value, not to exceed 30% of the taxpayer's net income, of a computer or other sophisticated  
22 technological equipment or apparatus intended for use with the computer donated to an elementary,  
23 secondary, or accredited postsecondary school located in Montana if:  
24 ——— (a) the contribution is made no later than 5 years after the manufacture of the donated property  
25 is substantially completed;  
26 ——— (b) the property is not transferred by the donee in exchange for money, other property, or  
27 services; and  
28 ——— (c) the taxpayer receives a written statement from the donee in which the donee agrees to accept  
29 the property and representing that the use and disposition of the property will be in accordance with the  
30 provisions of subsection (2)(b).

~~—————(3) In the case of a regulated investment company or a fund of a regulated investment company, as defined in section 851(a) or 851(h) of the Internal Revenue Code of 1986, as that section may be amended or renumbered, there is allowed a deduction for dividends paid, as defined in section 561 of the Internal Revenue Code of 1986, as that section may be amended or renumbered, except that the deduction for dividends is not allowed with respect to dividends attributable to any income that is not subject to tax under this chapter when earned by the regulated investment company. For the purposes of computing the deduction for dividends paid, the provisions of sections 852(b)(7) and 855 of the Internal Revenue Code of 1986, as those sections may be amended or renumbered, apply. A regulated investment company is not allowed a deduction for dividends received as defined in sections 243 through 245 of the Internal Revenue Code of 1986, as those sections may be amended or renumbered."~~

**SECTION 103. SECTION 15-31-114, MCA, IS AMENDED TO READ:**

**"15-31-114. Deductions allowed in computing income.** (1) In computing the net income, the following deductions are allowed from the gross income received by the corporation within the year from all sources:

(a) all the ordinary and necessary expenses paid or incurred during the taxable year in the maintenance and operation of its business and properties, including reasonable allowance for salaries for personal services actually rendered, subject to the limitation contained in this section, and rentals or other payments required to be made as a condition to the continued use or possession of property to which the corporation has not taken or is not taking title or in which it has no equity. A deduction is not allowed for salaries paid upon which the recipient has not paid Montana state income tax. However, when domestic corporations are taxed on income derived from outside the state, salaries of officers paid in connection with securing the income are deductible.

(b) (i) all losses actually sustained and charged off within the year and not compensated by insurance or otherwise, including a reasonable allowance for the wear and tear and obsolescence of property used in the trade or business. The allowance is determined according to the provisions of section 167 of the Internal Revenue Code in effect with respect to the taxable year. All elections for depreciation must be the same as the elections made for federal income tax purposes. A deduction is not allowed for any amount paid out for any buildings, permanent improvements, or betterments made to increase the value of any property or estate, and a deduction may not be made for any amount of expense of restoring



property or making good the exhaustion of property for which an allowance is or has been made. A depreciation or amortization deduction is not allowed on a title plant as defined in 33-25-105(15).

(ii) There is allowed as a deduction for the taxable period a net operating loss deduction determined according to the provisions of 15-31-119.

(c) in the case of mines, other natural deposits, oil and gas wells, and timber, a reasonable allowance for depletion and for depreciation of improvements. The reasonable allowance must be determined according to the provisions of the Internal Revenue Code in effect for the taxable year. All elections made under the Internal Revenue Code with respect to capitalizing or expensing exploration and development costs and intangible drilling expenses for corporation license tax purposes must be the same as the elections made for federal income tax purposes.

(d) The amount of interest paid within the year on its indebtedness incurred in the operation of the business from which its income is derived. Interest may not be allowed as a deduction if paid on an indebtedness created for the purchase, maintenance, or improvement of property or for the conduct of business unless the income from the property or business would be taxable under this part.

(e) (i) taxes paid within the year, except the following:

(A) taxes imposed by this part;

(B) taxes assessed against local benefits of a kind tending to increase the value of the property assessed;

(C) taxes on or according to or measured by net income or profits imposed by authority of the government of the United States;

(D) taxes imposed by any other state or country upon or measured by net income or profits.

(ii) Taxes deductible under this part must be construed to include taxes imposed by any county, school district, or municipality of this state.

(f) that portion of an energy-related investment allowed as a deduction under 15-32-103;

(g) (i) except as provided in subsection (1)(g)(ii), charitable contributions and gifts that qualify for deduction under section 170 of the Internal Revenue Code, as amended.

(ii) The public service commission may not allow in the rate base of a regulated corporation the inclusion of contributions made under this subsection.

(h) per capita livestock fees imposed pursuant to 15-24-921, 15-24-922, 81-6-104, 81-6-204, 81-6-209, 81-7-118, or 81-7-201.

(2) In lieu of the deduction allowed under subsection (1)(g), the taxpayer may deduct the fair market value, not to exceed 30% of the taxpayer's net income, of a computer or other sophisticated technological equipment or apparatus intended for use with the computer donated to an elementary, secondary, or accredited postsecondary school located in Montana if:

(a) the contribution is made no later than 5 years after the manufacture of the donated property is substantially completed;

(b) the property is not transferred by the donee in exchange for money, other property, or services; and

(c) the taxpayer receives a written statement from the donee in which the donee agrees to accept the property and representing that the use and disposition of the property will be in accordance with the provisions of subsection (2)(b).

(3) In the case of a regulated investment company or a fund of a regulated investment company, as defined in section 851(a) or 851(h) of the Internal Revenue Code of 1986, as that section may be amended or renumbered, there is allowed a deduction for dividends paid, as defined in section 561 of the Internal Revenue Code of 1986, as that section may be amended or renumbered, except that the deduction for dividends is not allowed with respect to dividends attributable to any income that is not subject to tax under this chapter when earned by the regulated investment company. For the purposes of computing the deduction for dividends paid, the provisions of sections 852(b)(7) and 855 of the Internal Revenue Code of 1986, as those sections may be amended or renumbered, apply. A regulated investment company is not allowed a deduction for dividends received as defined in sections 243 through 245 of the Internal Revenue Code of 1986, as those sections may be amended or renumbered."

~~Section 105. Section 16-1-404, MCA, is amended to read:~~

~~"16-1-404. License tax on liquor -- amount -- distribution of proceeds. (1) The department shall collect at the time of sale and delivery of any liquor under any provisions of the laws of the state of Montana a license tax of:~~

~~(a) 10% of the retail selling price on all liquor sold and delivered in the state by a company that manufactured, distilled, rectified, bottled, or processed and that sold more than 200,000 proof gallons of liquor nationwide in the calendar year preceding imposition of the tax pursuant to this section;~~

~~(b) 8.6% of the retail selling price on all liquor sold and delivered in the state by a company that~~

~~manufactured, distilled, rectified, bottled, or processed and that sold not more than 200,000 proof gallons of liquor nationwide in the calendar year preceding imposition of the tax pursuant to this section.~~

~~———— (2) The license tax must be charged and collected on all liquor brought into the state and taxed by the department. The retail selling price must be computed by adding to the cost of the liquor the state markup as designated by the department. The license tax must be figured in the same manner as the state excise tax and is in addition to the state excise tax. The department shall retain in a separate account the amount of the license tax received. The department, in accordance with the provisions of 15-1-501, shall allocate the revenue as follows:~~

~~———— (a) Thirty percent is allocated to the counties according to the amount of liquor purchased in each county to be distributed to the incorporated cities and towns, as provided in subsection (4).~~

~~———— (b) Four and one-half percent is allocated to the counties according to the amount of liquor purchased in each county, and this money may be used for county purposes. Thirty-four and one-half percent is allocated to the state general fund.~~

~~———— (c)(b) Sixty-five and one-half percent must be deposited in the state special revenue fund to the credit of the department of public health and human services for the treatment, rehabilitation, and prevention of alcoholism.~~

~~———— (3) (a) In the case of purchases of liquor by a retail liquor licensee for use in the licensee's business, the department shall make regulations necessary to apportion that proportion of license tax so generated to the county where the licensed establishment is located, for use as provided in 16-1-405.~~

~~———— (b) The department shall pay quarterly to each county treasurer the proportion of the license tax due each county, in accordance with the provisions of 15-1-501, to be allocated to the incorporated cities and towns of the county. The payments to counties under this section are statutorily appropriated, as provided in 17-7-502.~~

~~———— (4) The license tax proceeds allocated to the county under subsection (2) for use by cities and towns must be distributed by the county treasurer to the incorporated cities and towns within 30 days of receipt from the department. The distribution of funds to the cities and towns must be based on the proportion that the gross sale of liquor in each city or town is to the gross sale of liquor in all of the cities and towns of the county.~~

~~———— (5)(3) The license tax proceeds that are allocated to the department of public health and human services for the treatment, rehabilitation, and prevention of alcoholism must be credited quarterly to the~~

~~department of public health and human services. The legislature may appropriate a portion of the license tax proceeds to support alcohol programs. The remainder must be distributed as provided in 53-24-206."~~

**SECTION 104. SECTION 16-1-404, MCA, IS AMENDED TO READ:**

**"16-1-404. License tax on liquor -- amount -- distribution of proceeds.** (1) The department shall collect at the time of sale and delivery of any liquor under any provisions of the laws of the state of Montana a license tax of:

(a) 10% of the retail selling price on all liquor sold and delivered in the state by a company that manufactured, distilled, rectified, bottled, or processed and that sold more than 200,000 proof gallons of liquor nationwide in the calendar year preceding imposition of the tax pursuant to this section;

(b) 8.6% of the retail selling price on all liquor sold and delivered in the state by a company that manufactured, distilled, rectified, bottled, or processed and that sold not more than 200,000 proof gallons of liquor nationwide in the calendar year preceding imposition of the tax pursuant to this section.

(2) The license tax must be charged and collected on all liquor brought into the state and taxed by the department. The retail selling price must be computed by adding to the cost of the liquor the state markup as designated by the department. The license tax must be figured in the same manner as the state excise tax and is in addition to the state excise tax. The department shall retain in a separate account the amount of the license tax received. The department, in accordance with the provisions of 15-1-501, shall allocate the revenue as follows:

~~(a) Thirty percent is allocated to the counties according to the amount of liquor purchased in each county to be distributed to the incorporated cities and towns, as provided in subsection (4).~~

~~—— (b) Four and one-half percent is allocated to the counties according to the amount of liquor purchased in each county, and this money may be used for county purposes. Thirty-four and one-half percent is allocated to the state general fund.~~

~~(c)(b)~~ Sixty-five and one-half percent must be deposited in the state special revenue fund to the credit of the department of public health and human services for the treatment, rehabilitation, and prevention of alcoholism.

~~(3) (a) In the case of purchases of liquor by a retail liquor licensee for use in the licensee's business, the department shall make regulations necessary to apportion that proportion of license tax so generated to the county where the licensed establishment is located, for use as provided in 16-1-405.~~

~~———— (b) The department shall pay quarterly to each county treasurer the proportion of the license tax due each county, in accordance with the provisions of 15-1-501, to be allocated to the incorporated cities and towns of the county. The payments to counties under this section are statutorily appropriated, as provided in 17-7-502.~~

~~———— (4) The license tax proceeds allocated to the county under subsection (2) for use by cities and towns must be distributed by the county treasurer to the incorporated cities and towns within 30 days of receipt from the department. The distribution of funds to the cities and towns must be based on the proportion that the gross sale of liquor in each city or town is to the gross sale of liquor in all of the cities and towns of the county.~~

~~(5)(3) The license tax proceeds that are allocated to the department of public health and human services for the treatment, rehabilitation, and prevention of alcoholism must be credited quarterly to the department of public health and human services. The legislature may appropriate a portion of the license tax proceeds to support alcohol programs. The remainder must be distributed as provided in 53-24-206."~~

~~———— **Section 106.** Section 16-1-406, MCA, is amended to read:~~

~~———— "**16-1-406. Taxes on beer.** (1) A tax of \$4.30 per barrel of 31 gallons is imposed on each barrel of beer sold in Montana by a wholesaler. The tax is due at the end of each month from the wholesaler upon beer sold by the wholesaler during that month. The department shall compute the tax due on beer sold in containers other than barrels or in barrels of more or less capacity than 31 gallons.~~

~~———— (2) Each quarter, in accordance with the provisions of 15-1-501, of the tax collected pursuant to subsection (1), an amount equal to:~~

~~———— (a) \$1 must be deposited in the state treasury to the credit of the department of public health and human services for the treatment, rehabilitation, and prevention of alcoholism; and~~

~~———— (b) 50 cents the remainder must be deposited in the state general fund; and~~

~~———— (c) \$2.80 must be deposited with the state treasurer to the credit of the incorporated cities and towns beer tax account in the state special revenue fund.~~

~~———— (3) (a) The money in the incorporated cities and towns beer tax account is statutorily appropriated, as provided in 17-7-502, to the department, which shall, monthly, distribute this amount of money to the incorporated cities and towns in the direct proportion that the population of each city and town bears to the total population of all incorporated cities and towns as shown in the latest official federal census as~~

~~adjusted by the most recent population estimates published by the U.S. bureau of the census. For cities and towns incorporated after the latest official federal census, the census must be determined as of the date of incorporation as evidenced by the certificate of the incorporating officials of that city or town. If a city or town disincorporates, it may not receive any funds under this section and the amount previously distributed to the city or town must be distributed to the remaining incorporated cities and towns. All funds received by cities and towns under this section must be expended for state purposes, such as law enforcement, maintenance of the transportation system, and public health.~~

~~—— (b) The department may adjust population estimates only on the July 1 following the date of publication of the estimates by the U.S. bureau of the census. The adjusted distribution formula must remain in effect for the entire fiscal year."~~

**SECTION 105. SECTION 16-1-406, MCA, IS AMENDED TO READ:**

**"16-1-406. Taxes on beer.** (1) A tax of \$4.30 per barrel of 31 gallons is imposed on each barrel of beer sold in Montana by a wholesaler. The tax is due at the end of each month from the wholesaler upon beer sold by the wholesaler during that month. The department shall compute the tax due on beer sold in containers other than barrels or in barrels of more or less capacity than 31 gallons.

(2) Each quarter, in accordance with the provisions of 15-1-501, of the tax collected pursuant to subsection (1), an amount equal to:

(a) \$1 must be deposited in the state treasury to the credit of the department of public health and human services for the treatment, rehabilitation, and prevention of alcoholism; and

(b) ~~50 cents~~ the remainder must be deposited in the state general fund; ~~and~~

~~—— (c) \$2.80 must be deposited with the state treasurer to the credit of the incorporated cities and towns beer tax account in the state special revenue fund.~~

~~(3) (a) The money in the incorporated cities and towns beer tax account is statutorily appropriated, as provided in 17-7-502, to the department, which shall, monthly, distribute this amount of money to the incorporated cities and towns in the direct proportion that the population of each city and town bears to the total population of all incorporated cities and towns as shown in the latest official federal census as adjusted by the most recent population estimates published by the U.S. bureau of the census. For cities and towns incorporated after the latest official federal census, the census must be determined as of the date of incorporation as evidenced by the certificate of the incorporating officials of that city or town. If~~

~~a city or town disincorporates, it may not receive any funds under this section and the amount previously distributed to the city or town must be distributed to the remaining incorporated cities and towns. All funds received by cities and towns under this section must be expended for state purposes, such as law enforcement, maintenance of the transportation system, and public health.~~

~~———— (b) The department may adjust population estimates only on the July 1 following the date of publication of the estimates by the U.S. bureau of the census. The adjusted distribution formula must remain in effect for the entire fiscal year."~~

~~———— **Section 107.** Section 16-1-411, MCA, is amended to read:~~

~~———— **"16-1-411. Tax on wine and hard cider -- penalty and interest.** (1) (a) A tax of 27 cents per liter is imposed on table wine, except hard cider, imported by a table wine distributor or the department.~~

~~———— (b) A tax of 3.7 cents per liter is imposed on hard cider imported by a table wine distributor or the department.~~

~~———— (2) The tax imposed in subsection (1) must be paid by the table wine distributor by the 15th day of the month following sale of the table wine or hard cider from the table wine distributor's warehouse. Failure to file a tax return or failure to pay the tax required by this section subjects the table wine distributor to the penalties and interest provided for in 15-1-216.~~

~~———— (3) The tax paid by a table wine distributor in accordance with subsection (2) must, in accordance with the provisions of 15-1-501, be distributed as follows:~~

~~———— (a) 59% 69% to the state general fund; and~~

~~———— (b) 31% to the state special revenue fund to the credit of the department of public health and human services for the treatment, rehabilitation, and prevention of alcoholism;~~

~~———— (c) 5% is statutorily appropriated, as provided in 17-7-502, to the department for allocation to the counties, based on population, for the purpose established in 16-1-404; and~~

~~———— (d) 5% is statutorily appropriated, as provided in 17-7-502, to the department for allocation to the cities and towns, based on population, for the purpose established in 16-1-405.~~

~~———— (4) The tax computed and paid in accordance with this section is the only tax imposed by the state or any of its subdivisions, including cities and towns.~~

~~———— (5) For purposes of this section, the following definitions apply:~~

~~———— (a) "Based on population" means:~~

~~—— (i) for counties, the direct proportion that the population of each county bears to the total population of all counties as shown in the latest official federal census as adjusted by the most recent population estimates published by the U.S. bureau of the census as provided in 16-1-406; and~~

~~—— (ii) for cities, the distribution described in 16-1-406; and~~

~~—— (b) "Table table wine" has the meaning assigned in 16-1-106, but does not include hard cider."~~

**SECTION 106.** SECTION 16-1-411, MCA, IS AMENDED TO READ:

**"16-1-411. Tax on wine and hard cider -- penalty and interest.** (1) (a) A tax of 27 cents per liter is imposed on table wine, except hard cider, imported by a table wine distributor or the department.

(b) A tax of 3.7 cents per liter is imposed on hard cider imported by a table wine distributor or the department.

(2) The tax imposed in subsection (1) must be paid by the table wine distributor by the 15th day of the month following sale of the table wine or hard cider from the table wine distributor's warehouse. Failure to file a tax return or failure to pay the tax required by this section subjects the table wine distributor to the penalties and interest provided for in 15-1-216.

(3) The tax paid by a table wine distributor in accordance with subsection (2) must, in accordance with the provisions of 15-1-501, be distributed as follows:

(a) ~~59%~~ 69% to the state general fund; and

(b) 31% to the state special revenue fund to the credit of the department of public health and human services for the treatment, rehabilitation, and prevention of alcoholism;

~~—— (c) 5% is statutorily appropriated, as provided in 17-7-502, to the department for allocation to the counties, based on population, for the purpose established in 16-1-404; and~~

~~—— (d) 5% is statutorily appropriated, as provided in 17-7-502, to the department for allocation to the cities and towns, based on population, for the purpose established in 16-1-405.~~

(4) The tax computed and paid in accordance with this section is the only tax imposed by the state or any of its subdivisions, including cities and towns.

(5) For purposes of this section, ~~the following definitions apply:~~

~~—— (a) "Based on population" means:~~

~~—— (i) for counties, the direct proportion that the population of each county bears to the total population of all counties as shown in the latest official federal census as adjusted by the most recent~~



1 population estimates published by the U.S. bureau of the census as provided in 16-1-406; and

2 ——— (ii) for cities, the distribution described in 16-1-406; and

3 ——— (b) "Table table wine" has the meaning assigned in 16-1-106, but does not include hard cider."

5 ——— **Section 129.** Section 17-3-221, MCA, is amended to read:

6 ——— **"17-3-221. State treasurer to be custodian of money received under Taylor Grazing Act.** The state  
7 treasurer is the custodian of all money that the treasurer of the United States transfers to the state of  
8 Montana under the terms of section 10 of the Taylor Grazing Act, 43 U.S.C. 315i, to be expended as the  
9 legislature may prescribe. The money must be deposited in the federal special revenue state general fund."

11 ——— **Section 130.** Section 17-3-222, MCA, is amended to read:

12 ——— **"17-3-222. Apportionment of money to counties.** (1) It is the duty of the The state treasurer to  
13 properly shall apportion and allocate the money received under 17-3-221 to the county treasurers, who  
14 shall allocate the money as follows:

15 ——— (a) 50% to the county general fund; and

16 ——— (b) 50% to the elementary BASE funding programs of the school districts in the county counties  
17 through the entitlement share provided for in [section 1].

18 ——— (2) The payments from the state to the county treasurers provided for in subsection (1) are  
19 statutorily appropriated as provided in 17-7-502."

21 **Section 107.** Section 17-7-502, MCA, is amended to read:

22 **"17-7-502. Statutory appropriations -- definition -- requisites for validity.** (1) A statutory  
23 appropriation is an appropriation made by permanent law that authorizes spending by a state agency  
24 without the need for a biennial legislative appropriation or budget amendment.

25 (2) Except as provided in subsection (4), to be effective, a statutory appropriation must comply  
26 with both of the following provisions:

27 (a) The law containing the statutory authority must be listed in subsection (3).

28 (b) The law or portion of the law making a statutory appropriation must specifically state that a  
29 statutory appropriation is made as provided in this section.

30 (3) The following laws are the only laws containing statutory appropriations: 2-17-105; 3-5-901;

1 5-13-403; 10-3-203; 10-3-310; 10-3-312; 10-3-314; 10-4-301; [section 1]; 15-1-111; 15-23-706;  
 2 ~~15-31-702; 15-31-702;~~ 15-34-115; 15-35-108; 15-36-324; 15-37-117; 15-38-202; 15-65-121;  
 3 15-70-101; ~~16-1-404; 16-1-406; 16-1-411; 16-1-404; 16-1-406; 16-1-411;~~ 17-3-106; 17-3-212;  
 4 ~~17-3-222;~~ 17-3-222; 17-6-101; 17-7-304; 18-11-112; 19-3-319; ~~19-6-709; 19-6-709;~~ 19-9-702;  
 5 19-13-604; 19-17-301; 19-18-512; 19-19-305; 19-19-506; 19-20-604; 20-8-107; 20-26-1503;  
 6 22-3-1004; 23-5-136; 23-5-306; 23-5-409; ~~23-5-610; 23-5-610; 23-5-612; 23-5-612;~~ 23-5-631;  
 7 23-7-301; 23-7-402; 37-43-204; 37-51-501; 39-71-503; 42-2-105; 44-12-206; 44-13-102; 50-4-623;  
 8 53-6-703; 53-24-206; ~~67-3-205; 67-3-205;~~ 75-1-1101; 75-5-1108; 75-6-214; 75-11-313; ~~77-1-505;~~  
 9 ~~77-1-505;~~ 80-2-222; 80-4-416; 80-11-518; 81-5-111; 82-11-161; 87-1-513; 90-3-1003; 90-6-710; and  
 10 90-9-306.

11 (4) There is a statutory appropriation to pay the principal, interest, premiums, and costs of issuing,  
 12 paying, and securing all bonds, notes, or other obligations, as due, that have been authorized and issued  
 13 pursuant to the laws of Montana. Agencies that have entered into agreements authorized by the laws of  
 14 Montana to pay the state treasurer, for deposit in accordance with 17-2-101 through 17-2-107, as  
 15 determined by the state treasurer, an amount sufficient to pay the principal and interest as due on the  
 16 bonds or notes have statutory appropriation authority for the payments. (In subsection (3): pursuant to  
 17 sec. 7, Ch. 567, L. 1991, the inclusion of 19-6-709 terminates upon death of last recipient eligible for  
 18 supplemental benefit; pursuant to Ch. 422, L. 1997, the inclusion of 15-1-111 terminates on July 1,  
 19 2008, which is the date that section is repealed; pursuant to sec. 10, Ch. 360, L. 1999, the inclusion of  
 20 19-20-604 terminates when the amortization period for the teachers' retirement system's unfunded liability  
 21 is 10 years or less; pursuant to sec. 4, Ch. 497, L. 1999, the inclusion of 15-38-202 terminates July 1,  
 22 2014; and pursuant to sec. 10(2), Ch. 10, Sp. L. May 2000, the inclusion of 15-35-108 and 90-6-710  
 23 terminates June 30, 2005.)"

24

25 ~~SECTION 109. SECTION 19-6-709, MCA, IS AMENDED TO READ:~~

26 ~~"19-6-709. (Temporary) Supplemental benefits for certain retirees. (1) In addition to any~~  
 27 ~~retirement benefit payable under this chapter, a retired member or a survivor determined by the board to~~  
 28 ~~be eligible under subsection (2) must receive an annual lump-sum benefit payment beginning in September~~  
 29 ~~1991 and each succeeding year as long as the member remains eligible.~~

30 ~~(2) To be eligible for the benefits under this section, a person must be receiving a monthly benefit~~

1 ~~before July 1, 1991, may not be covered by 19-6-710, and must be:~~

2 ~~—— (a) a retired member who is 55 years of age or older and who has been receiving a service~~

3 ~~retirement benefit for at least 5 years prior to the date of distribution;~~

4 ~~—— (b) a survivor of a member who would have been eligible under subsection (2)(a); or~~

5 ~~—— (c) a recipient of a disability or survivorship benefit under 19-6-601 or 19-6-901.~~

6 ~~—— (3) A retired member otherwise qualified under this section who is employed in a position covered~~

7 ~~by a retirement system under Title 19 is ineligible to receive any lump-sum benefit payments provided for~~

8 ~~in this section until the member's service in the covered position is terminated. Upon termination of the~~

9 ~~member's covered service, the retired member becomes eligible in the next fiscal year succeeding the~~

10 ~~member's termination.~~

11 ~~—— (4) (a) An amount equal to 25 cents of each motor vehicle registration fee provided for in~~

12 ~~61-3-321(5) must be paid from the general fund to the pension trust fund at the end of each fiscal year.~~

13 ~~The payment is statutorily appropriated, as provided in 17-7-502, to the pension fund for payment of~~

14 ~~benefits to eligible recipients. The total funds must be distributed by the board in lump-sum payments to~~

15 ~~eligible recipients along with their normal retirement benefit payment.~~

16 ~~—— (b) The lump-sum payment must be distributed proportionally to all eligible recipients based on~~

17 ~~service credit at the time of retirement, subject to the following:~~

18 ~~—— (i)(a) a recipient under subsection (2)(c) is considered to have 20 years of service for the purposes~~

19 ~~of the distributions;~~

20 ~~—— (ii)(b) any recipient of a service retirement benefit exceeding the maximum monthly benefit under~~

21 ~~19-6-707(2)(a) must have the recipient's service credit reduced 25% for the purposes of the distributions;~~

22 ~~—— (iii)(c) the maximum annual increase in the amount of supplemental benefits paid to each individual~~

23 ~~under this section is the percentage increase for the previous calendar year in the annual average consumer~~

24 ~~price index for urban wage earners and workers, compiled by the bureau of labor statistics of the United~~

25 ~~States department of labor or its successor agency.~~

26 ~~—— (c) Any amount deposited in the pension trust fund under subsection (4)(a) for the payment of~~

27 ~~supplemental benefits under this section that exceeds the limitation of subsection (4)(b)(iii) must be used~~

28 ~~to amortize unfunded liabilities of the retirement system.~~

29 ~~—— (5) Every 10 years following July 1, 1991, the board shall review the size of the additional fee~~

30 ~~collected under 61-3-321(5) and paid to the pension trust fund in accordance with subsection (4)(a) and~~

~~1 recommend to each legislature following the board's review any legislation necessary to reduce the fee~~  
~~2 to the minimum amount necessary to provide the supplemental benefits provided by this section.~~  
~~3 (Terminates upon death of last eligible recipient--sec. 1, Ch. 567, L. 1991.)"~~

4

5 **SECTION 108. SECTION 19-6-709, MCA, IS AMENDED TO READ:**

6 **"19-6-709. (Temporary) Supplemental benefits for certain retirees.** (1) In addition to any  
7 retirement benefit payable under this chapter, a retired member or a survivor determined by the board to  
8 be eligible under subsection (2) must receive an annual lump-sum benefit payment beginning in September  
9 1991 and each succeeding year as long as the member remains eligible.

10 (2) To be eligible for the benefits under this section, a person must be receiving a monthly benefit  
11 before July 1, 1991, may not be covered by 19-6-710, and must be:

12 (a) a retired member who is 55 years of age or older and who has been receiving a service  
13 retirement benefit for at least 5 years prior to the date of distribution;

14 (b) a survivor of a member who would have been eligible under subsection (2)(a); or

15 (c) a recipient of a disability or survivorship benefit under 19-6-601 or 19-6-901.

16 (3) A retired member otherwise qualified under this section who is employed in a position covered  
17 by a retirement system under Title 19 is ineligible to receive any lump-sum benefit payments provided for  
18 in this section until the member's service in the covered position is terminated. Upon termination of the  
19 member's covered service, the retired member becomes eligible in the next fiscal year succeeding the  
20 member's termination.

21 (4) ~~(a) An amount equal to 25 cents of each motor vehicle registration fee provided for in~~  
22 ~~61-3-321(5) must be paid from the general fund to the pension trust fund at the end of each fiscal year.~~  
23 ~~The payment is statutorily appropriated, as provided in 17-7-502, to the pension fund for payment of~~  
24 ~~benefits to eligible recipients. The total funds must be distributed by the board in lump-sum payments to~~  
25 ~~eligible recipients along with their normal retirement benefit payment.~~

26 ~~——(b) The lump-sum payment must be distributed proportionally to all eligible recipients based on~~  
27 ~~service credit at the time of retirement, subject to the following:~~

28 ~~(i)(a) a recipient under subsection (2)(c) is considered to have 20 years of service for the purposes~~  
29 ~~of the distributions;~~

30 ~~(ii)(b) any recipient of a service retirement benefit exceeding the maximum monthly benefit under~~

1 19-6-707(2)(a) must have the recipient's service credit reduced 25% for the purposes of the distributions;  
2 ~~(iii)(c)~~ the maximum annual increase in the amount of supplemental benefits paid to each individual  
3 under this section is the percentage increase for the previous calendar year in the annual average consumer  
4 price index for urban wage earners and workers, compiled by the bureau of labor statistics of the United  
5 States department of labor or its successor agency.

6 ~~—— (c) Any amount deposited in the pension trust fund under subsection (4)(a) for the payment of~~  
7 ~~supplemental benefits under this section that exceeds the limitation of subsection (4)(b)(iii) must be used~~  
8 ~~to amortize unfunded liabilities of the retirement system.~~

9 ~~—— (5) Every 10 years following July 1, 1991, the board shall review the size of the additional fee~~  
10 ~~collected under 61-3-321(5) and paid to the pension trust fund in accordance with subsection (4)(a) and~~  
11 ~~recommend to each legislature following the board's review any legislation necessary to reduce the fee~~  
12 ~~to the minimum amount necessary to provide the supplemental benefits provided by this section.~~  
13 (Terminates upon death of last eligible recipient--sec. 1, Ch. 567, L. 1991.)"

14  
15 **Section 109.** Section 19-7-404, MCA, is amended to read:

16 **"19-7-404. Employer contributions.** (1) The employer shall pay monthly 9.535% of each  
17 member's gross compensation into the pension trust fund created by this chapter.

18 (2) If the required contribution to the retirement system exceeds the funds available to a county  
19 from general revenue sources, a county may, subject to 15-10-420, budget, levy, and collect annually a  
20 ~~special~~ tax on the ~~assessable~~ taxable value of all taxable property within the county that is sufficient to  
21 raise the amount of revenue needed to meet the county's obligation. ~~This tax may be in addition to the~~  
22 ~~annual rate of taxation allowed by law to be levied by the county."~~

23  
24 **Section 110.** Section 19-9-209, MCA, is amended to read:

25 **"19-9-209. Taxing authority of employers.** ~~(1)~~ For the purpose of making contributions required  
26 of a city under this chapter, ~~when the demand for deposits of such contributions cannot be met within the~~  
27 ~~general taxing authority and other revenues available to the city for that purpose,~~ the appropriate authority  
28 of the city may, subject to 15-10-420, levy ~~any additional a tax authorized by law until the general taxing~~  
29 ~~authority and that along with~~ other revenue available for that purpose is sufficient to meet the demand.

30 ~~(2) "General taxing authority", as used in this section, means that levy which the city may make~~

~~under the all-purpose levy or under multiple-purpose levies, if the city is using multiple-purpose levies.~~

~~(3) No provision of any statute relating to the all-purpose levy may be so construed as to limit the additional taxing authority created by this section."~~

**Section 111.** Section 19-13-214, MCA, is amended to read:

**"19-13-214. Taxing authority of employers.** ~~(1) For the purpose of making contributions required of a city under this chapter, whenever the demand for deposits of such contributions cannot be met within the general taxing authority and other revenues available to the city for that purpose, the appropriate authority of the city may, subject to 15-10-420, levy any additional a tax authorized by law until the general taxing authority and that along with other revenue available for that purpose is sufficient to meet the demand.~~

~~(2) "General taxing authority", as used in this section, means that levy which the city may make under the all-purpose levy or under multiple-purpose levies, if the city is using multiple-purpose levies.~~

~~——— (3) No provision of any statute relating to the all-purpose levy may be so construed as to limit the additional taxing authority created by this section."~~

**Section 112.** Section 19-18-503, MCA, is amended to read:

**"19-18-503. Special tax levy for fund required.** (1) The purpose of this section is to provide a means by which each disability and pension fund may be maintained at a level equal to at least 4% but no more than 10% of the taxable valuation of all taxable property within the limits of the city or town.

(2) ~~Whenever~~ Subject to 15-10-420, if the fund contains less than 4% of the taxable ~~valuation~~ value of all taxable property within the limits of the city or town, the governing body of the city or town shall, at the time of the levy of the annual tax, levy a ~~special~~ tax as provided in 19-18-504. The ~~special~~ tax must be collected as other taxes are collected and, when collected, must be paid into the disability and pension fund.

~~(3) If a special tax for the disability and pension fund is levied by a third-class city or town using the all-purpose mill levy, the special tax levy must be made in addition to the all-purpose levy."~~

**Section 113.** Section 19-18-504, MCA, is amended to read:

**"19-18-504. Amount of ~~special~~ tax levy.** Whenever the fund contains an amount that is less than

1 4% of the taxable ~~valuation~~ value of all taxable property in the city or town, the city or town council shall,  
2 subject to 15-10-420, levy an annual ~~special tax of not less than 1 mill and not more than 4 mills on each~~  
3 ~~dollar of the~~ taxable ~~valuation~~ value of all taxable property ~~within in~~ the city or town. When the fund  
4 contains an amount that is less than 10% but more than 4% of the taxable ~~valuation~~ value of all taxable  
5 property in the city or town, the city or town council may, if authorized by the voters as provided in  
6 [section 2], levy an annual ~~special tax of not less than 1 mill and not more than 4 mills on each dollar of~~  
7 ~~taxable valuation.~~"

8

9 **Section 114.** Section 19-19-301, MCA, is amended to read:

10 **"19-19-301. City's contribution to fund.** Each city, other than one of the first or second class,  
11 ~~which that~~ has a police retirement fund and ~~which that~~ did not elect to join the statewide police reserve  
12 fund provided for in Chapter 335, Laws of 1974, and has not elected to participate in the plan under  
13 19-9-207 shall deposit in its fund monthly an amount equal to 11% of the total salaries for the preceding  
14 month paid to active police officers of ~~such the~~ city, exclusive of overtime and payments in lieu of sick  
15 leave and annual leave. If the demand against a city for deposits in its fund ~~is such that it cannot be met~~  
16 ~~within the general taxing authority of the city,~~ subject to 15-10-420, may impose an additional levy ~~not~~  
17 ~~to exceed 3 mills may be made until the general taxing authority in an amount that~~ is sufficient to meet  
18 the demand."

19

20 ~~Section 138.~~ Section 20-6-413, MCA, is amended to read:

21 ~~"20-6-413. Cash disposition when district ceases to exist -- special levy for tuition debt.~~  
22 ~~Whenever a district ceases to exist in any manner prescribed in this title, except when districts are~~  
23 ~~consolidated, the cash on hand to the credit of the funds of the district and the debts of the former district~~  
24 ~~must be allocated in the following manner:~~

25 ~~—— (1) Any cash to the credit of the district must be used to pay any debts of the district, including~~  
26 ~~bonded indebtedness, except that any cash available in the debt service fund must be used first to pay~~  
27 ~~bond interest and all outstanding bonds.~~

28 ~~—— (2) If any cash remains to the credit of the district after paying its debts, the cash must be~~  
29 ~~transferred by the county treasurer to the credit of the district or districts assuming its territory. When the~~  
30 ~~territory is assumed by more than one district, the remaining cash must be prorated between the districts~~

1 ~~on the basis of the taxable value of the territory assumed by each district as determined by the county~~  
2 ~~superintendent.~~

3 ~~—— (3) If any tuition debt remains as an obligation of the district, the tuition debt is the obligation of~~  
4 ~~the taxable property of the discontinued district, except when the tuition debt has been assumed by the~~  
5 ~~consolidated or annexing district. The Subject to 15-10-420, the tuition debt must be financed by a mill~~  
6 ~~levy on the property of the discontinued district and paid from these proceeds by the county~~  
7 ~~superintendent.~~

8 ~~—— (4) If any debts, other than bonded indebtedness and tuition, remain as an obligation of the district~~  
9 ~~after the cash has been utilized used under the provisions of subsection (1), the debts must be assigned~~  
10 ~~in the same manner prescribed for the transfer of cash under subsection (2)."~~

11

12 **Section 115.** Section 20-7-705, MCA, is amended to read:

13 **"20-7-705. Adult education fund.** (1) A separate adult education fund must be established when  
14 an adult education program is operated by a district or community college district. The financial  
15 administration of the fund must comply with the budgeting, financing, and expenditure provisions of the  
16 laws governing the schools.

17 (2) Whenever the trustees of a district establish an adult education program under the provisions  
18 of 20-7-702, they shall establish an adult education fund under the provisions of this section. The adult  
19 education fund is the depository for all district money received by the district in support of the adult  
20 education program. Federal and state adult education program money must be deposited in the  
21 miscellaneous programs fund.

22 (3) Subject to 15-10-420, the trustees of a district may authorize the levy of a tax ~~of not more~~  
23 ~~than 1 mill~~ on the taxable value of all taxable property within the district, ~~except that trustees of a county~~  
24 ~~high school district may, whether or not the county high school district is unified with an elementary~~  
25 ~~district under the provisions of 20-6-312, authorize a levy of not more than 2 mills on the district and a~~  
26 ~~K-12 school district formed under the provisions of 20-6-701 may authorize a levy of not more than 3 mills~~  
27 ~~on the district, for the operation of an adult education program.~~

28 (4) Whenever the trustees of a district decide to offer an adult education program during the  
29 ensuing school fiscal year, they shall budget for the cost of the program in the adult education fund of the  
30 final budget. Any expenditures in support of the adult education program under the final adult education



1 budget must be made in accordance with the financial administration provisions of this title for a budgeted  
2 fund.

3 (5) When a tax levy for an adult education program is included as a revenue item on the final adult  
4 education budget, the county superintendent shall report the levy requirement to the county commissioners  
5 on the fourth Monday of August and a levy on the district must be made by the county commissioners in  
6 accordance with 20-9-142."

7

8 **Section 116.** Section 20-7-714, MCA, is amended to read:

9 **"20-7-714. County adult literacy programs -- authorization to levy tax and establish fund.** (1) (a)

10 Subject to 15-10-420, the governing body of a county may, in its discretion, establish a fund and levy up  
11 ~~to 1 mill on each dollar of a tax on the taxable value of all taxable~~ property in the county for the support  
12 of county literacy programs that give first priority to providing direct instruction to adults. The tax levy is  
13 in addition to all other tax levies and is subject to limitations on property taxes set forth in 15-10-402.

14 (b) The fund may be used only for the support of adult literacy programs within the county.

15 (2) (a) If a county levies a property tax for adult literacy programs, the county governing body  
16 shall appoint a county adult literacy board to administer the expenditure of funds from the county adult  
17 literacy fund established in subsection (1).

18 (b) The county adult literacy board shall coordinate all adult literacy programs receiving county  
19 adult literacy funds. The board may adopt policies concerning program standards and financial  
20 accountability for organizations receiving adult literacy funds. The board may require that adult literacy  
21 programs match adult literacy funds with federal, state, or private money. The board may, with the  
22 concurrence of the appropriate county officials, arrange for county in-kind services to support adult literacy  
23 programs.

24 (c) County adult literacy funding may be expended only on literacy programs for persons who are  
25 16 years of age or older and who are not regularly enrolled, full-time pupils for the purposes of ANB  
26 computation."

27

28 ~~Section 118.~~ Section 20-9-141, MCA, is amended to read:

29 ~~"20-9-141. Computation of general fund net levy requirement by county superintendent.~~ (1) The

30 county superintendent shall compute the levy requirement for each district's general fund on the basis of

1 the following procedure:

2 ~~—— (a) Determine the funding required for the district's final general fund budget less the sum of direct~~

3 ~~state aid and the special education allowable cost payment for the district by totaling:~~

4 ~~—— (i) the district's nonisolated school BASE budget requirement to be met by a district levy as~~

5 ~~provided in 20-9-303; and~~

6 ~~—— (ii) any general fund budget amount adopted by the trustees of the district under the provisions~~

7 ~~of 20-9-308 and 20-9-353, including any additional funding for a general fund budget that exceeds the~~

8 ~~maximum general fund budget.~~

9 ~~—— (b) Determine the money available for the reduction of the property tax on the district for the~~

10 ~~general fund by totaling:~~

11 ~~—— (i) the general fund balance reappropriated, as established under the provisions of 20-9-104;~~

12 ~~—— (ii) 98% of actual amounts received in fiscal year 1999 for light vehicle taxes under 61-3-504;~~

13 ~~—— (iii)(ii) amounts received in the last fiscal year for which revenue reporting was required for each~~

14 ~~of the following:~~

15 ~~—— (A) revenue from taxes and fees imposed under 23-2-517, 23-2-803, 61-3-521, 61-3-527,~~

16 ~~61-3-529, 61-3-560 through 61-3-562, 61-3-570, and 67-3-204;~~

17 ~~—— (B)(A) interest earned by the investment of general fund cash in accordance with the provisions~~

18 ~~of 20-9-213(4); and~~

19 ~~—— (C)(B) any other revenue received during the school fiscal year that may be used to finance the~~

20 ~~general fund, excluding any guaranteed tax base aid;~~

21 ~~—— (iv)(iii) anticipated tuition payments for out-of-district pupils under the provisions of 20-5-321~~

22 ~~through 20-5-323, except the amount of tuition received for a pupil who is a child with a disability in~~

23 ~~excess of the amount received for a pupil without disabilities, as calculated under 20-5-323(2);~~

24 ~~—— (v)(iv) anticipated oil and natural gas production taxes; and~~

25 ~~—— (vi)(v) pursuant to subsection (4), anticipated revenue from coal gross proceeds under 15-23-703;~~

26 ~~AND~~

27 ~~—— (vi) SCHOOL DISTRICT BLOCK GRANTS DISTRIBUTED UNDER [SECTION 243-245] and property tax~~

28 ~~reimbursements under 15-1-111, 15-1-112, and section 167, Chapter 584, Laws of 1999; and~~

29 ~~—— (vii) anticipated revenue from corporation license taxes collected from financial institutions under~~

30 ~~the provisions of 15-31-702.~~

~~————(c) Notwithstanding the provisions of subsection (2), subtract the money available to reduce the property tax required to finance the general fund that has been determined in subsection (1)(b) from any general fund budget amount adopted by the trustees of the district, up to the BASE budget amount, to determine the general fund BASE budget levy requirement.~~

~~————(d) Subtract any amount remaining after the determination in subsection (1)(c) from any additional funding requirement to be met by an over-BASE budget amount, a district levy as provided in 20-9-303, and any additional financing as provided in 20-9-353 to determine any additional general fund levy requirements.~~

~~————(2) The county superintendent shall calculate the number of mills to be levied on the taxable property in the district to finance the general fund levy requirement for any amount that does not exceed the BASE budget amount for the district by dividing the amount determined in subsection (1)(c) by the sum of:~~

~~————(a) the amount of guaranteed tax base aid that the district will receive for each mill levied, as certified by the superintendent of public instruction; and~~

~~————(b) the current total taxable valuation of the district, as certified by the department of revenue under 15-10-202, divided by 1,000.~~

~~————(3) The net general fund levy requirement determined in subsections (1)(c) and (1)(d) must be reported to the county commissioners on the fourth Monday of August by the county superintendent as the general fund net levy requirement for the district, and a levy must be set by the county commissioners in accordance with 20-9-142.~~

~~————(4) For each school district, the department of revenue shall calculate and report to the county superintendent the amount of revenue anticipated for the ensuing fiscal year from revenue from coal gross proceeds under 15-23-703 and property tax reimbursements under 15-1-111, 15-1-112, and section 167, Chapter 584, Laws of 1999."~~

~~————~~ **SECTION 120. SECTION 20-9-141, MCA, IS AMENDED TO READ:**

~~————~~ **"20-9-141. Computation of general fund net levy requirement by county superintendent.** (1) The county superintendent shall compute the levy requirement for each district's general fund on the basis of the following procedure:

~~————(a) Determine the funding required for the district's final general fund budget less the sum of direct~~

1 ~~state aid and the special education allowable cost payment for the district by totaling:~~  
2 ~~—— (i) the district's nonisolated school BASE budget requirement to be met by a district levy as~~  
3 ~~provided in 20-9-303; and~~  
4 ~~—— (ii) any general fund budget amount adopted by the trustees of the district under the provisions~~  
5 ~~of 20-9-308 and 20-9-353, including any additional funding for a general fund budget that exceeds the~~  
6 ~~maximum general fund budget.~~  
7 ~~—— (b) Determine the money available for the reduction of the property tax on the district for the~~  
8 ~~general fund by totaling:~~  
9 ~~—— (i) the general fund balance reappropriated, as established under the provisions of 20-9-104;~~  
10 ~~—— (ii) 98% of actual amounts received in fiscal year 1999 for light vehicle taxes under 61-3-504;~~  
11 ~~—— (iii)(ii) amounts received in the last fiscal year for which revenue reporting was required for each~~  
12 ~~of the following:~~  
13 ~~—— (A) revenue from taxes and fees imposed under 23-2-517, 23-2-803, 61-3-521, 61-3-527,~~  
14 ~~61-3-529, 61-3-560 through 61-3-562, 61-3-570, and 67-3-204;~~  
15 ~~—— (B)(A) interest earned by the investment of general fund cash in accordance with the provisions~~  
16 ~~of 20-9-213(4); and~~  
17 ~~—— (C)(B) any other revenue received during the school fiscal year that may be used to finance the~~  
18 ~~general fund, excluding any guaranteed tax base aid;~~  
19 ~~—— (iv)(iii) anticipated tuition payments for out-of-district pupils under the provisions of 20-5-321~~  
20 ~~through 20-5-323, except the amount of tuition received for a pupil who is a child with a disability in~~  
21 ~~excess of the amount received for a pupil without disabilities, as calculated under 20-5-323(2);~~  
22 ~~—— (v)(iv) anticipated oil and natural gas production taxes; and~~  
23 ~~—— (vi)(v) pursuant to subsection (4), anticipated revenue from coal gross proceeds under 15-23-703~~  
24 ~~and property tax reimbursements under 15-1-111, 15-1-112, and section 167, Chapter 584, Laws of~~  
25 ~~1999; and~~  
26 ~~—— (vii) anticipated revenue from corporation license taxes collected from financial institutions under~~  
27 ~~the provisions of 15-31-702.~~  
28 ~~—— (c) Notwithstanding the provisions of subsection (2), subtract the money available to reduce the~~  
29 ~~property tax required to finance the general fund that has been determined in subsection (1)(b) from any~~  
30 ~~general fund budget amount adopted by the trustees of the district, up to the BASE budget amount, to~~

1 ~~determine the general fund BASE budget levy requirement.~~  
2 ~~———(d) Subtract any amount remaining after the determination in subsection (1)(c) from any additional~~  
3 ~~funding requirement to be met by an over-BASE budget amount, a district levy as provided in 20-9-303,~~  
4 ~~and any additional financing as provided in 20-9-353 to determine any additional general fund levy~~  
5 ~~requirements.~~  
6 ~~———(2) The county superintendent shall calculate the number of mills to be levied on the taxable~~  
7 ~~property in the district to finance the general fund levy requirement for any amount that does not exceed~~  
8 ~~the BASE budget amount for the district by dividing the amount determined in subsection (1)(c) by the sum~~  
9 ~~of:~~  
10 ~~———(a) the amount of guaranteed tax base aid that the district will receive for each mill levied, as~~  
11 ~~certified by the superintendent of public instruction; and~~  
12 ~~———(b) the current total taxable valuation of the district, as certified by the department of revenue~~  
13 ~~under 15-10-202, divided by 1,000.~~  
14 ~~———(3) The net general fund levy requirement determined in subsections (1)(c) and (1)(d) must be~~  
15 ~~reported to the county commissioners on the fourth Monday of August by the county superintendent as~~  
16 ~~the general fund net levy requirement for the district, and a levy must be set by the county commissioners~~  
17 ~~in accordance with 20-9-142.~~  
18 ~~———(4) For each school district, the department of revenue shall calculate and report to the county~~  
19 ~~superintendent the amount of revenue anticipated for the ensuing fiscal year from revenue from coal gross~~  
20 ~~proceeds under 15-23-703 and property tax reimbursements under 15-1-111, 15-1-112, and section 167,~~  
21 ~~Chapter 584, Laws of 1999."~~

22

23 **SECTION 117. SECTION 20-9-141, MCA, IS AMENDED TO READ:**

24 **"20-9-141. Computation of general fund net levy requirement by county superintendent.** (1) The  
25 county superintendent shall compute the levy requirement for each district's general fund on the basis of  
26 the following procedure:

27 (a) Determine the funding required for the district's final general fund budget less the sum of direct  
28 state aid and the special education allowable cost payment for the district by totaling:

29 (i) the district's nonisolated school BASE budget requirement to be met by a district levy as  
30 provided in 20-9-303; and

(ii) any general fund budget amount adopted by the trustees of the district under the provisions of 20-9-308 and 20-9-353, including any additional funding for a general fund budget that exceeds the maximum general fund budget.

(b) Determine the money available for the reduction of the property tax on the district for the general fund by totaling:

(i) the general fund balance reappropriated, as established under the provisions of 20-9-104;

~~(ii) 98% of actual amounts received in fiscal year 1999 for light vehicle taxes under 61-3-504;~~

~~(iii)~~(ii) amounts received in the last fiscal year for which revenue reporting was required for each of the following:

~~(A) revenue from taxes and fees imposed under 23-2-517, 23-2-803, 61-3-521, 61-3-527, 61-3-529, 61-3-560 through 61-3-562, 61-3-570, and 67-3-204;~~

~~(B)~~(A) interest earned by the investment of general fund cash in accordance with the provisions of 20-9-213(4); and

~~(C)~~(B) any other revenue received during the school fiscal year that may be used to finance the general fund, excluding any guaranteed tax base aid;

~~(iv)~~(iii) anticipated tuition payments for out-of-district pupils under the provisions of 20-5-321 through 20-5-323, except the amount of tuition received for a pupil who is a child with a disability in excess of the amount received for a pupil without disabilities, as calculated under 20-5-323(2);

~~(v)~~(iv) anticipated oil and natural gas production taxes;

~~(vi)~~(v) pursuant to subsection (4), anticipated revenue from coal gross proceeds under 15-23-703; and

~~(vi) school district block grants distributed under [section 244] and property tax reimbursements under 15-1-111, 15-1-112, and section 167, Chapter 584, Laws of 1999; and~~

~~———(vii) anticipated revenue from corporation license taxes collected from financial institutions under the provisions of 15-31-702.~~

(c) Notwithstanding the provisions of subsection (2), subtract the money available to reduce the property tax required to finance the general fund that has been determined in subsection (1)(b) from any general fund budget amount adopted by the trustees of the district, up to the BASE budget amount, to determine the general fund BASE budget levy requirement.

(d) Subtract any amount remaining after the determination in subsection (1)(c) from any additional

1 funding requirement to be met by an over-BASE budget amount, a district levy as provided in 20-9-303,  
2 and any additional financing as provided in 20-9-353 to determine any additional general fund levy  
3 requirements.

4 (2) The county superintendent shall calculate the number of mills to be levied on the taxable  
5 property in the district to finance the general fund levy requirement for any amount that does not exceed  
6 the BASE budget amount for the district by dividing the amount determined in subsection (1)(c) by the sum  
7 of:

8 (a) the amount of guaranteed tax base aid that the district will receive for each mill levied, as  
9 certified by the superintendent of public instruction; and

10 (b) the current total taxable valuation of the district, as certified by the department of revenue  
11 under 15-10-202, divided by 1,000.

12 (3) The net general fund levy requirement determined in subsections (1)(c) and (1)(d) must be  
13 reported to the county commissioners on the fourth Monday of August by the county superintendent as  
14 the general fund net levy requirement for the district, and a levy must be set by the county commissioners  
15 in accordance with 20-9-142.

16 (4) For each school district, the department of revenue shall calculate and report to the county  
17 superintendent the amount of revenue anticipated for the ensuing fiscal year from revenue from coal gross  
18 proceeds under 15-23-703 and property tax reimbursements under ~~15-1-111, 15-1-112, and section 167,~~  
19 ~~Chapter 584, Laws of 1999.~~"

20

21 **Section 118.** Section 20-9-168, MCA, is amended to read:

22 **"20-9-168. Emergency budget amendment tax levy.** When a budget amendment has been adopted  
23 by the board of trustees under 20-9-161(2) and a district does not have sufficient funds, including  
24 insurance proceeds and reserves, to finance the budget amendment, the district may, ~~subject to~~  
25 ~~15-10-420,~~ levy a tax in the ensuing school year to fund the expenditures authorized by the budget  
26 amendment. The amount levied may not exceed the unfunded amount of the budget amendment."

27

28 ~~Section 120.~~ Section 20-9-331, MCA, is amended to read:

29 ~~"20-9-331. Basic county tax for elementary equalization and other revenue for county equalization~~  
30 ~~of elementary BASE funding program. (1) Subject to 15-10-420, the county commissioners of each county~~

1 ~~shall levy an annual basic county tax of 33 mills on the dollar of the taxable value of all taxable property~~  
2 ~~within the county, except for property subject to a tax or fee under 23-2-517, 23-2-803, 61-3-521,~~  
3 ~~61-3-527, 61-3-529, 61-3-537, 61-3-560 through 61-3-562, 61-3-570, and 67-3-204, for the purposes~~  
4 ~~of elementary equalization and state BASE funding program support. The revenue collected from this levy~~  
5 ~~must be apportioned to the support of the elementary BASE funding programs of the school districts in~~  
6 ~~the county and to the state general fund in the following manner:~~  
7 ~~——— (a) In order to determine the amount of revenue raised by this levy that is retained by the county,~~  
8 ~~the sum of the estimated revenue identified in subsection (2) must be subtracted from the total of the~~  
9 ~~BASE funding programs of all elementary districts of the county.~~  
10 ~~——— (b) If the basic levy and other revenue prescribed by this section produce more revenue than is~~  
11 ~~required to repay a state advance for county equalization, the county treasurer shall remit the surplus~~  
12 ~~funds to the state treasurer for deposit to the state general fund immediately upon occurrence of a surplus~~  
13 ~~balance and each subsequent month, with any final remittance due no later than June 20 of the fiscal year~~  
14 ~~for which the levy has been set.~~  
15 ~~——— (2) The revenue realized from the county's portion of the levy prescribed by this section and the~~  
16 ~~revenue from the following sources must be used for the equalization of the elementary BASE funding~~  
17 ~~program of the county as prescribed in 20-9-335, and a separate accounting must be kept of the revenue~~  
18 ~~by the county treasurer in accordance with 20-9-212(1):~~  
19 ~~——— (a) the portion of the federal Taylor Grazing Act funds distributed to a county and designated for~~  
20 ~~the elementary county equalization fund under the provisions of 17-3-222;~~  
21 ~~——— (b) the portion of the federal flood control act funds distributed to a county and designated for~~  
22 ~~expenditure for the benefit of the county common schools under the provisions of 17-3-232;~~  
23 ~~——— (c) all money paid into the county treasury as a result of fines for violations of law, except money~~  
24 ~~paid to a justice's court, and the use of which is not otherwise specified by law;~~  
25 ~~——— (d) any money remaining at the end of the immediately preceding school fiscal year in the county~~  
26 ~~treasurer's accounts for the various sources of revenue established or referred to in this section;~~  
27 ~~——— (e) any federal or state money distributed to the county as payment in lieu of property taxation,~~  
28 ~~including federal forest reserve funds allocated under the provisions of 17-3-213;~~  
29 ~~——— (f) gross proceeds taxes from coal under 15-23-703; and~~  
30 ~~——— (g) oil and natural gas production taxes; and~~



~~1 (h) anticipated revenue from property taxes and fees imposed under 23-2-517, 23-2-803,~~  
~~2 61-3-521, 61-3-529, 61-3-537, 61-3-570, and 67-3-204."~~

3  
4 **SECTION 119. SECTION 20-9-331, MCA, IS AMENDED TO READ:**

5 **"20-9-331. Basic county tax for elementary equalization and other revenue for county equalization**  
6 **of elementary BASE funding program.** (1) Subject to 15-10-420, the county commissioners of each county  
7 shall levy an annual basic county tax of 33 mills on the dollar of the taxable value of all taxable property  
8 within the county, except for property subject to a tax or fee under 23-2-517, 23-2-803, 61-3-521,  
9 61-3-527, 61-3-529, 61-3-537, 61-3-560 through 61-3-562, 61-3-570, and 67-3-204, for the purposes  
10 of elementary equalization and state BASE funding program support. The revenue collected from this levy  
11 must be apportioned to the support of the elementary BASE funding programs of the school districts in  
12 the county and to the state general fund in the following manner:

13 (a) In order to determine the amount of revenue raised by this levy that is retained by the county,  
14 the sum of the estimated revenue identified in subsection (2) must be subtracted from the total of the  
15 BASE funding programs of all elementary districts of the county.

16 (b) If the basic levy and other revenue prescribed by this section produce more revenue than is  
17 required to repay a state advance for county equalization, the county treasurer shall remit the surplus  
18 funds to the state treasurer for deposit to the state general fund immediately upon occurrence of a surplus  
19 balance and each subsequent month, with any final remittance due no later than June 20 of the fiscal year  
20 for which the levy has been set.

21 (2) The revenue realized from the county's portion of the levy prescribed by this section and the  
22 revenue from the following sources must be used for the equalization of the elementary BASE funding  
23 program of the county as prescribed in 20-9-335, and a separate accounting must be kept of the revenue  
24 by the county treasurer in accordance with 20-9-212(1):

25 (a) the portion of the federal Taylor Grazing Act funds distributed to a county and designated for  
26 the elementary county equalization fund under the provisions of 17-3-222;

27 (b) the portion of the federal flood control act funds distributed to a county and designated for  
28 expenditure for the benefit of the county common schools under the provisions of 17-3-232;

29 (c) all money paid into the county treasury as a result of fines for violations of law, except money  
30 paid to a justice's court, and the use of which is not otherwise specified by law;

(d) any money remaining at the end of the immediately preceding school fiscal year in the county treasurer's accounts for the various sources of revenue established or referred to in this section;

(e) any federal or state money distributed to the county as payment in lieu of property taxation, including federal forest reserve funds allocated under the provisions of 17-3-213;

(f) gross proceeds taxes from coal under 15-23-703; and

(g) oil and natural gas production taxes; ~~and~~

~~(h) anticipated revenue from property taxes and fees imposed under 23-2-517, 23-2-803, 61-3-521, 61-3-529, 61-3-537, 61-3-570, and 67-3-204."~~

~~Section 121. Section 20-9-333, MCA, is amended to read:~~

~~"20-9-333. Basic county tax for high school equalization and other revenue for county equalization of high school BASE funding program. (1) Subject to 15-10-420, the county commissioners of each county shall levy an annual basic county tax of 22 mills on the dollar of the taxable value of all taxable property within the county, except for property subject to a tax or fee under 23-2-517, 23-2-803, 61-3-521, 61-3-527, 61-3-529, 61-3-537, 61-3-560 through 61-3-562, 61-3-570, and 67-3-204, for the purposes of high school equalization and state BASE funding program support. The revenue collected from this levy must be apportioned to the support of the BASE funding programs of high school districts in the county and to the state general fund in the following manner:~~

~~(a) In order to determine the amount of revenue raised by this levy that is retained by the county, the sum of the estimated revenue identified in subsection (2) must be subtracted from the sum of the county's high school tuition obligation and the total of the BASE funding programs of all high school districts of the county.~~

~~(b) If the basic levy and other revenue prescribed by this section produce more revenue than is required to repay a state advance for county equalization, the county treasurer shall remit the surplus funds to the state treasurer for deposit to the state general fund immediately upon occurrence of a surplus balance and each subsequent month, with any final remittance due no later than June 20 of the fiscal year for which the levy has been set.~~

~~(2) The revenue realized from the county's portion of the levy prescribed in this section and the revenue from the following sources must be used for the equalization of the high school BASE funding program of the county as prescribed in 20-9-335, and a separate accounting must be kept of the revenue~~

1 ~~by the county treasurer in accordance with 20-9-212(1);~~  
2 ~~—— (a) any money remaining at the end of the immediately preceding school fiscal year in the county~~  
3 ~~treasurer's accounts for the various sources of revenue established in this section;~~  
4 ~~—— (b) any federal or state money distributed to the county as payment in lieu of property taxation;~~  
5 ~~including federal forest reserve funds allocated under the provisions of 17-3-213;~~  
6 ~~—— (c) gross proceeds taxes from coal under 15-23-703; and~~  
7 ~~—— (d) oil and natural gas production taxes; and~~  
8 ~~—— (e) anticipated revenue from property taxes and fees imposed under 23-2-517, 23-2-803,~~  
9 ~~61-3-521, 61-3-529, 61-3-537, 61-3-570, and 67-3-204."~~

10

11 **SECTION 120. SECTION 20-9-333, MCA, IS AMENDED TO READ:**

12 **"20-9-333. Basic county tax for high school equalization and other revenue for county equalization**  
13 **of high school BASE funding program.** (1) Subject to 15-10-420, the county commissioners of each county  
14 shall levy an annual basic county tax of 22 mills on the dollar of the taxable value of all taxable property  
15 within the county, except for property subject to a tax or fee under 23-2-517, 23-2-803, 61-3-521,  
16 61-3-527, 61-3-529, 61-3-537, 61-3-560 through 61-3-562, 61-3-570, and 67-3-204, for the purposes  
17 of high school equalization and state BASE funding program support. The revenue collected from this levy  
18 must be apportioned to the support of the BASE funding programs of high school districts in the county  
19 and to the state general fund in the following manner:

20 (a) In order to determine the amount of revenue raised by this levy that is retained by the county,  
21 the sum of the estimated revenue identified in subsection (2) must be subtracted from the sum of the  
22 county's high school tuition obligation and the total of the BASE funding programs of all high school  
23 districts of the county.

24 (b) If the basic levy and other revenue prescribed by this section produce more revenue than is  
25 required to repay a state advance for county equalization, the county treasurer shall remit the surplus  
26 funds to the state treasurer for deposit to the state general fund immediately upon occurrence of a surplus  
27 balance and each subsequent month, with any final remittance due no later than June 20 of the fiscal year  
28 for which the levy has been set.

29 (2) The revenue realized from the county's portion of the levy prescribed in this section and the  
30 revenue from the following sources must be used for the equalization of the high school BASE funding

program of the county as prescribed in 20-9-335, and a separate accounting must be kept of the revenue by the county treasurer in accordance with 20-9-212(1):

(a) any money remaining at the end of the immediately preceding school fiscal year in the county treasurer's accounts for the various sources of revenue established in this section;

(b) any federal or state money distributed to the county as payment in lieu of property taxation, including federal forest reserve funds allocated under the provisions of 17-3-213;

(c) gross proceeds taxes from coal under 15-23-703; and

(d) oil and natural gas production taxes; ~~and~~

~~———— (e) anticipated revenue from property taxes and fees imposed under 23-2-517, 23-2-803, 61-3-521, 61-3-529, 61-3-537, 61-3-570, and 67-3-204."~~

~~———— **Section 122.** Section 20-9-501, MCA, is amended to read:~~

~~———— **"20-9-501. Retirement fund.** (1) The trustees of a district employing personnel who are members of the teachers' retirement system or the public employees' retirement system or who are covered by unemployment insurance or who are covered by any federal social security system requiring employer contributions shall establish a retirement fund for the purposes of budgeting and paying the employer's contributions to the systems. The district's contribution for each employee who is a member of the teachers' retirement system must be calculated in accordance with Title 19, chapter 20, part 6. The district's contribution for each employee who is a member of the public employees' retirement system must be calculated in accordance with 19-3-316. The district's contributions for each employee covered by any federal social security system must be paid in accordance with federal law and regulation. The district's contribution for each employee who is covered by unemployment insurance must be paid in accordance with Title 39, chapter 51, part 11.~~

~~———— (2) The trustees of a district required to make a contribution to a system referred to in subsection (1) shall include in the retirement fund of the final budget the estimated amount of the employer's contribution. After the final retirement fund budget has been adopted, the trustees shall pay the employer contributions to the systems in accordance with the financial administration provisions of this title.~~

~~———— (3) When the final retirement fund budget has been adopted, the county superintendent shall establish the levy requirement by:~~

~~———— (a) determining the sum of the money available to reduce the retirement fund levy requirement by~~

1 adding:

2 ~~—— (i) any anticipated money that may be realized in the retirement fund during the ensuing school~~  
3 ~~fiscal year, including anticipated revenue from property taxes and fees imposed under 23-2-517,~~  
4 ~~23-2-803, 61-3-521, 61-3-527, 61-3-529, 61-3-537, 61-3-560 through 61-3-562, 61-3-570, and~~  
5 ~~67-3-204;~~

6 ~~—— (ii) oil and natural gas production taxes;~~

7 ~~—— (iii) coal gross proceeds taxes under 15-23-703;~~

8 ~~—— (iv) COUNTYWIDE SCHOOL RETIREMENT BLOCK GRANTS DISTRIBUTED UNDER [SECTION 244-246];~~

9 ~~—— (iv)(v) any fund balance available for reappropriation as determined by subtracting the amount of~~  
10 ~~the end-of-the-year fund balance earmarked as the retirement fund operating reserve for the ensuing school~~  
11 ~~fiscal year by the trustees from the end-of-the-year fund balance in the retirement fund. The retirement~~  
12 ~~fund operating reserve may not be more than 35% of the final retirement fund budget for the ensuing~~  
13 ~~school fiscal year and must be used for the purpose of paying retirement fund warrants issued by the~~  
14 ~~district under the final retirement fund budget.~~

15 ~~—— (v)(vi) any other revenue anticipated that may be realized in the retirement fund during the ensuing~~  
16 ~~school fiscal year, excluding any guaranteed tax base aid.~~

17 ~~—— (b) notwithstanding the provisions of subsection (8), subtracting the money available for reduction~~  
18 ~~of the levy requirement, as determined in subsection (3)(a), from the budgeted amount for expenditures~~  
19 ~~in the final retirement fund budget.~~

20 ~~—— (4) The county superintendent shall:~~

21 ~~—— (a) total the net retirement fund levy requirements separately for all elementary school districts,~~  
22 ~~all high school districts, and all community college districts of the county, including any prorated joint~~  
23 ~~district or special education cooperative agreement levy requirements; and~~

24 ~~—— (b) report each levy requirement to the county commissioners on the fourth Monday of August~~  
25 ~~as the respective county levy requirements for elementary district, high school district, and community~~  
26 ~~college district retirement funds.~~

27 ~~—— (5) The county commissioners shall fix and set the county levy or district levy in accordance with~~  
28 ~~20-9-142.~~

29 ~~—— (6) The net retirement fund levy requirement for a joint elementary district or a joint high school~~  
30 ~~district must be prorated to each county in which a part of the district is located in the same proportion~~

~~as the district ANB of the joint district is distributed by pupil residence in each county. The county superintendents of the counties affected shall jointly determine the net retirement fund levy requirement for each county as provided in 20-9-151.~~

~~———— (7) The net retirement fund levy requirement for districts that are members of special education cooperative agreements must be prorated to each county in which the district is located in the same proportion as the special education cooperative budget is prorated to the member school districts. The county superintendents of the counties affected shall jointly determine the net retirement fund levy requirement for each county in the same manner as provided in 20-9-151, and the county commissioners shall fix and levy the net retirement fund levy for each county in the same manner as provided in 20-9-152.~~

~~———— (8) The county superintendent shall calculate the number of mills to be levied on the taxable property in the county to finance the retirement fund net levy requirement by dividing the amount determined in subsection (4)(a) by the sum of:~~

~~———— (a) the amount of guaranteed tax base aid that the county will receive for each mill levied, as certified by the superintendent of public instruction; and~~

~~———— (b) the taxable valuation of the district divided by 1,000.~~

~~———— (9) The levy for a community college district may be applied only to property within the district."~~

~~———— **SECTION 125. SECTION 20-9-501, MCA, IS AMENDED TO READ:**~~

~~———— **"20-9-501. Retirement fund.** (1) The trustees of a district employing personnel who are members of the teachers' retirement system or the public employees' retirement system or who are covered by unemployment insurance or who are covered by any federal social security system requiring employer contributions shall establish a retirement fund for the purposes of budgeting and paying the employer's contributions to the systems. The district's contribution for each employee who is a member of the teachers' retirement system must be calculated in accordance with Title 19, chapter 20, part 6. The district's contribution for each employee who is a member of the public employees' retirement system must be calculated in accordance with 19-3-316. The district's contributions for each employee covered by any federal social security system must be paid in accordance with federal law and regulation. The district's contribution for each employee who is covered by unemployment insurance must be paid in accordance with Title 39, chapter 51, part 11.~~

~~———— (2) The trustees of a district required to make a contribution to a system referred to in subsection (1) shall include in the retirement fund of the final budget the estimated amount of the employer's contribution. After the final retirement fund budget has been adopted, the trustees shall pay the employer contributions to the systems in accordance with the financial administration provisions of this title.~~

~~———— (3) When the final retirement fund budget has been adopted, the county superintendent shall establish the levy requirement by:~~

~~———— (a) determining the sum of the money available to reduce the retirement fund levy requirement by adding:~~

~~———— (i) any anticipated money that may be realized in the retirement fund during the ensuing school fiscal year, including anticipated revenue from property taxes and fees imposed under 23-2-517, 23-2-803, 61-3-521, 61-3-527, 61-3-529, 61-3-537, 61-3-560 through 61-3-562, 61-3-570, and 67-3-204;~~

~~———— (ii) oil and natural gas production taxes;~~

~~———— (iii) coal gross proceeds taxes under 15-23-703;~~

~~———— (iv) any fund balance available for reappropriation as determined by subtracting the amount of the end-of-the-year fund balance earmarked as the retirement fund operating reserve for the ensuing school fiscal year by the trustees from the end-of-the-year fund balance in the retirement fund. The retirement fund operating reserve may not be more than 35% of the final retirement fund budget for the ensuing school fiscal year and must be used for the purpose of paying retirement fund warrants issued by the district under the final retirement fund budget.~~

~~———— (v) any other revenue anticipated that may be realized in the retirement fund during the ensuing school fiscal year, excluding any guaranteed tax base aid.~~

~~———— (b) notwithstanding the provisions of subsection (8), subtracting the money available for reduction of the levy requirement, as determined in subsection (3)(a), from the budgeted amount for expenditures in the final retirement fund budget.~~

~~———— (4) The county superintendent shall:~~

~~———— (a) total the net retirement fund levy requirements separately for all elementary school districts, all high school districts, and all community college districts of the county, including any prorated joint district or special education cooperative agreement levy requirements; and~~

~~———— (b) report each levy requirement to the county commissioners on the fourth Monday of August~~

~~as the respective county levy requirements for elementary district, high school district, and community college district retirement funds.~~

~~———— (5) The county commissioners shall fix and set the county levy or district levy in accordance with 20-9-142.~~

~~———— (6) The net retirement fund levy requirement for a joint elementary district or a joint high school district must be prorated to each county in which a part of the district is located in the same proportion as the district ANB of the joint district is distributed by pupil residence in each county. The county superintendents of the counties affected shall jointly determine the net retirement fund levy requirement for each county as provided in 20-9-151.~~

~~———— (7) The net retirement fund levy requirement for districts that are members of special education cooperative agreements must be prorated to each county in which the district is located in the same proportion as the special education cooperative budget is prorated to the member school districts. The county superintendents of the counties affected shall jointly determine the net retirement fund levy requirement for each county in the same manner as provided in 20-9-151, and the county commissioners shall fix and levy the net retirement fund levy for each county in the same manner as provided in 20-9-152.~~

~~———— (8) The county superintendent shall calculate the number of mills to be levied on the taxable property in the county to finance the retirement fund net levy requirement by dividing the amount determined in subsection (4)(a) by the sum of:~~

~~———— (a) the amount of guaranteed tax base aid that the county will receive for each mill levied, as certified by the superintendent of public instruction; and~~

~~———— (b) the taxable valuation of the district divided by 1,000.~~

~~———— (9) The levy for a community college district may be applied only to property within the district."~~

**SECTION 121. SECTION 20-9-501, MCA, IS AMENDED TO READ:**

**"20-9-501. Retirement fund.** (1) The trustees of a district employing personnel who are members of the teachers' retirement system or the public employees' retirement system or who are covered by unemployment insurance or who are covered by any federal social security system requiring employer contributions shall establish a retirement fund for the purposes of budgeting and paying the employer's contributions to the systems. The district's contribution for each employee who is a member of the



1 teachers' retirement system must be calculated in accordance with Title 19, chapter 20, part 6. The  
2 district's contribution for each employee who is a member of the public employees' retirement system  
3 must be calculated in accordance with 19-3-316. The district's contributions for each employee covered  
4 by any federal social security system must be paid in accordance with federal law and regulation. The  
5 district's contribution for each employee who is covered by unemployment insurance must be paid in  
6 accordance with Title 39, chapter 51, part 11.

7 (2) The trustees of a district required to make a contribution to a system referred to in subsection  
8 (1) shall include in the retirement fund of the final budget the estimated amount of the employer's  
9 contribution. After the final retirement fund budget has been adopted, the trustees shall pay the employer  
10 contributions to the systems in accordance with the financial administration provisions of this title.

11 (3) When the final retirement fund budget has been adopted, the county superintendent shall  
12 establish the levy requirement by:

13 (a) determining the sum of the money available to reduce the retirement fund levy requirement by  
14 adding:

15 (i) any anticipated money that may be realized in the retirement fund during the ensuing school  
16 fiscal year, ~~including anticipated revenue from property taxes and fees imposed under 23-2-517,~~  
17 ~~23-2-803, 61-3-521, 61-3-527, 61-3-529, 61-3-537, 61-3-560 through 61-3-562, 61-3-570, and~~  
18 ~~67-3-204;~~

19 (ii) oil and natural gas production taxes;

20 (iii) coal gross proceeds taxes under 15-23-703;

21 (iv) countywide school retirement block grants distributed under [section 245];

22 ~~(iv)~~(v) any fund balance available for reappropriation as determined by subtracting the amount of  
23 the end-of-the-year fund balance earmarked as the retirement fund operating reserve for the ensuing school  
24 fiscal year by the trustees from the end-of-the-year fund balance in the retirement fund. The retirement  
25 fund operating reserve may not be more than 35% of the final retirement fund budget for the ensuing  
26 school fiscal year and must be used for the purpose of paying retirement fund warrants issued by the  
27 district under the final retirement fund budget.

28 ~~(v)~~(vi) any other revenue anticipated that may be realized in the retirement fund during the ensuing  
29 school fiscal year, excluding any guaranteed tax base aid.

30 (b) notwithstanding the provisions of subsection (8), subtracting the money available for reduction

1 of the levy requirement, as determined in subsection (3)(a), from the budgeted amount for expenditures  
2 in the final retirement fund budget.

3 (4) The county superintendent shall:

4 (a) total the net retirement fund levy requirements separately for all elementary school districts,  
5 all high school districts, and all community college districts of the county, including any prorated joint  
6 district or special education cooperative agreement levy requirements; and

7 (b) report each levy requirement to the county commissioners on the fourth Monday of August  
8 as the respective county levy requirements for elementary district, high school district, and community  
9 college district retirement funds.

10 (5) The county commissioners shall fix and set the county levy or district levy in accordance with  
11 20-9-142.

12 (6) The net retirement fund levy requirement for a joint elementary district or a joint high school  
13 district must be prorated to each county in which a part of the district is located in the same proportion  
14 as the district ANB of the joint district is distributed by pupil residence in each county. The county  
15 superintendents of the counties affected shall jointly determine the net retirement fund levy requirement  
16 for each county as provided in 20-9-151.

17 (7) The net retirement fund levy requirement for districts that are members of special education  
18 cooperative agreements must be prorated to each county in which the district is located in the same  
19 proportion as the special education cooperative budget is prorated to the member school districts. The  
20 county superintendents of the counties affected shall jointly determine the net retirement fund levy  
21 requirement for each county in the same manner as provided in 20-9-151, and the county commissioners  
22 shall fix and levy the net retirement fund levy for each county in the same manner as provided in  
23 20-9-152.

24 (8) The county superintendent shall calculate the number of mills to be levied on the taxable  
25 property in the county to finance the retirement fund net levy requirement by dividing the amount  
26 determined in subsection (4)(a) by the sum of:

27 (a) the amount of guaranteed tax base aid that the county will receive for each mill levied, as  
28 certified by the superintendent of public instruction; and

29 (b) the taxable valuation of the district divided by 1,000.

30 (9) The levy for a community college district may be applied only to property within the district."

1

2 ~~Section 123. Section 20-10-144, MCA, is amended to read:~~

3 ~~"20-10-144. Computation of revenue and net tax levy requirements for district transportation fund~~

4 ~~budget. Before the second Monday of August, the county superintendent shall compute the revenue~~  
5 ~~available to finance the transportation fund budget of each district. The county superintendent shall~~  
6 ~~compute the revenue for each district on the following basis:~~

7 ~~—— (1) The "schedule amount" of the budget expenditures that is derived from the rate schedules in~~  
8 ~~20-10-141 and 20-10-142 must be determined by adding the following amounts:~~

9 ~~—— (a) the sum of the maximum reimbursable expenditures for all approved school bus routes~~  
10 ~~maintained by the district (to determine the maximum reimbursable expenditure, multiply the applicable~~  
11 ~~rate for each bus mile by the total number of miles to be traveled during the ensuing school fiscal year on~~  
12 ~~each bus route approved by the county transportation committee and maintained by the district); plus~~

13 ~~—— (b) the total of all individual transportation per diem reimbursement rates for the district as~~  
14 ~~determined from the contracts submitted by the district multiplied by the number of pupil instruction days~~  
15 ~~scheduled for the ensuing school attendance year; plus~~

16 ~~—— (c) any estimated costs for supervised home study or supervised correspondence study for the~~  
17 ~~ensuing school fiscal year; plus~~

18 ~~—— (d) the amount budgeted in the budget for the contingency amount permitted in 20-10-143,~~  
19 ~~except if the amount exceeds 10% of the total of subsections (1)(a), (1)(b), and (1)(c) or \$100, whichever~~  
20 ~~is larger, the contingency amount on the budget must be reduced to the limitation amount and used in this~~  
21 ~~determination of the schedule amount; plus~~

22 ~~—— (e) any estimated costs for transporting a child out of district when the child has mandatory~~  
23 ~~approval to attend school in a district outside the district of residence.~~

24 ~~—— (2) (a) The schedule amount determined in subsection (1) or the total transportation fund budget,~~  
25 ~~whichever is smaller, is divided by 2 and is used to determine the available state and county revenue to~~  
26 ~~be budgeted on the following basis:~~

27 ~~—— (i) one-half is the budgeted state transportation reimbursement, except that the state~~  
28 ~~transportation reimbursement for the transportation of special education pupils under the provisions of~~  
29 ~~20-7-442 must be 50% of the schedule amount attributed to the transportation of special education~~  
30 ~~pupils; and~~

- 1 ~~———(ii) one-half is the budgeted county transportation fund reimbursement and must be financed in the~~  
2 ~~manner provided in 20-10-146.~~
- 3 ~~———(b) When the district has a sufficient amount of fund balance for reappropriation and other sources~~  
4 ~~of district revenue, as determined in subsection (3), to reduce the total district obligation for financing to~~  
5 ~~zero, any remaining amount of district revenue and fund balance reappropriated must be used to reduce~~  
6 ~~the county financing obligation in subsection (2)(a)(ii) and, if the county financing obligations are reduced~~  
7 ~~to zero, to reduce the state financial obligation in subsection (2)(a)(i).~~
- 8 ~~———(c) The county revenue requirement for a joint district, after the application of any district money~~  
9 ~~under subsection (2)(b), must be prorated to each county incorporated by the joint district in the same~~  
10 ~~proportion as the ANB of the joint district is distributed by pupil residence in each county.~~
- 11 ~~———(3) The total of the money available for the reduction of property tax on the district for the~~  
12 ~~transportation fund must be determined by totaling:~~
- 13 ~~———(a) anticipated federal money received under the provisions of 20 U.S.C. 7701, et seq., or other~~  
14 ~~anticipated federal money received in lieu of that federal act;~~
- 15 ~~———(b) anticipated payments from other districts for providing school bus transportation services for~~  
16 ~~the district;~~
- 17 ~~———(c) anticipated payments from a parent or guardian for providing school bus transportation services~~  
18 ~~for a child;~~
- 19 ~~———(d) anticipated or reappropriated interest to be earned by the investment of transportation fund~~  
20 ~~cash in accordance with the provisions of 20-9-213(4);~~
- 21 ~~———(e) anticipated or reappropriated revenue from property taxes and fees imposed under 23-2-517,~~  
22 ~~23-2-803, 61-3-521, 61-3-527, 61-3-529, 61-3-537, 61-3-560 through 61-3-562, 61-3-570, and~~  
23 ~~67-3-204;~~
- 24 ~~———(f)(e) anticipated revenue from coal gross proceeds under 15-23-703;~~
- 25 ~~———(g)(f) anticipated oil and natural gas production taxes;~~
- 26 ~~———(h)(g) anticipated local government severance tax payments for calendar year 1995 production;~~
- 27 ~~———(i)(h) anticipated transportation payments for out-of-district pupils under the provisions of~~  
28 ~~20-5-320 through 20-5-324;~~
- 29 ~~———(i) SCHOOL DISTRICT BLOCK GRANTS DISTRIBUTED UNDER [SECTION 243-245];~~
- 30 ~~———(j)(i)(j) any other revenue anticipated by the trustees to be earned during the ensuing school fiscal~~

~~year that may be used to finance the transportation fund; and~~

~~—— (k)(j)(k) any fund balance available for reappropriation as determined by subtracting the amount of the end-of-the-year fund balance earmarked as the transportation fund operating reserve for the ensuing school fiscal year by the trustees from the end-of-the-year fund balance in the transportation fund. The operating reserve may not be more than 20% of the final transportation fund budget for the ensuing school fiscal year and is for the purpose of paying transportation fund warrants issued by the district under the final transportation fund budget.~~

~~—— (4) The district levy requirement for each district's transportation fund must be computed by:~~

~~—— (a) subtracting the schedule amount calculated in subsection (1) from the total preliminary transportation budget amount; and~~

~~—— (b) subtracting the amount of money available to reduce the property tax on the district, as determined in subsection (3), from the amount determined in subsection (4)(a).~~

~~—— (5) The transportation fund levy requirements determined in subsection (4) for each district must be reported to the county commissioners on the fourth Monday of August by the county superintendent as the transportation fund levy requirements for the district, and the levy must be made by the county commissioners in accordance with 20-9-142."~~

~~—— **SECTION 127.** SECTION 20-10-144, MCA, IS AMENDED TO READ:~~

~~—— **"20-10-144. Computation of revenue and net tax levy requirements for district transportation fund budget.** Before the second Monday of August, the county superintendent shall compute the revenue available to finance the transportation fund budget of each district. The county superintendent shall compute the revenue for each district on the following basis:~~

~~—— (1) The "schedule amount" of the budget expenditures that is derived from the rate schedules in 20-10-141 and 20-10-142 must be determined by adding the following amounts:~~

~~—— (a) the sum of the maximum reimbursable expenditures for all approved school bus routes maintained by the district (to determine the maximum reimbursable expenditure, multiply the applicable rate for each bus mile by the total number of miles to be traveled during the ensuing school fiscal year on each bus route approved by the county transportation committee and maintained by the district); plus~~

~~—— (b) the total of all individual transportation per diem reimbursement rates for the district as determined from the contracts submitted by the district multiplied by the number of pupil instruction days~~

1 ~~scheduled for the ensuing school attendance year; plus~~  
2 ~~——— (c) any estimated costs for supervised home study or supervised correspondence study for the~~  
3 ~~ensuing school fiscal year; plus~~  
4 ~~——— (d) the amount budgeted in the budget for the contingency amount permitted in 20-10-143;~~  
5 ~~except if the amount exceeds 10% of the total of subsections (1)(a), (1)(b), and (1)(c) or \$100, whichever~~  
6 ~~is larger, the contingency amount on the budget must be reduced to the limitation amount and used in this~~  
7 ~~determination of the schedule amount; plus~~  
8 ~~——— (e) any estimated costs for transporting a child out of district when the child has mandatory~~  
9 ~~approval to attend school in a district outside the district of residence.~~  
10 ~~——— (2) (a) The schedule amount determined in subsection (1) or the total transportation fund budget,~~  
11 ~~whichever is smaller, is divided by 2 and is used to determine the available state and county revenue to~~  
12 ~~be budgeted on the following basis:~~  
13 ~~——— (i) one-half is the budgeted state transportation reimbursement, except that the state~~  
14 ~~transportation reimbursement for the transportation of special education pupils under the provisions of~~  
15 ~~20-7-442 must be 50% of the schedule amount attributed to the transportation of special education~~  
16 ~~pupils; and~~  
17 ~~——— (ii) one-half is the budgeted county transportation fund reimbursement and must be financed in the~~  
18 ~~manner provided in 20-10-146.~~  
19 ~~——— (b) When the district has a sufficient amount of fund balance for reappropriation and other sources~~  
20 ~~of district revenue, as determined in subsection (3), to reduce the total district obligation for financing to~~  
21 ~~zero, any remaining amount of district revenue and fund balance reappropriated must be used to reduce~~  
22 ~~the county financing obligation in subsection (2)(a)(ii) and, if the county financing obligations are reduced~~  
23 ~~to zero, to reduce the state financial obligation in subsection (2)(a)(i).~~  
24 ~~——— (c) The county revenue requirement for a joint district, after the application of any district money~~  
25 ~~under subsection (2)(b), must be prorated to each county incorporated by the joint district in the same~~  
26 ~~proportion as the ANB of the joint district is distributed by pupil residence in each county.~~  
27 ~~——— (3) The total of the money available for the reduction of property tax on the district for the~~  
28 ~~transportation fund must be determined by totaling:~~  
29 ~~——— (a) anticipated federal money received under the provisions of 20 U.S.C. 7701, et seq., or other~~  
30 ~~anticipated federal money received in lieu of that federal act;~~

1 ~~—— (b) anticipated payments from other districts for providing school bus transportation services for~~  
2 ~~the district;~~

3 ~~—— (c) anticipated payments from a parent or guardian for providing school bus transportation services~~  
4 ~~for a child;~~

5 ~~—— (d) anticipated or reappropriated interest to be earned by the investment of transportation fund~~  
6 ~~cash in accordance with the provisions of 20-9-213(4);~~

7 ~~—— (e) anticipated or reappropriated revenue from property taxes and fees imposed under 23-2-517,~~  
8 ~~23-2-803, 61-3-521, 61-3-527, 61-3-529, 61-3-537, 61-3-560 through 61-3-562, 61-3-570, and~~  
9 ~~67-3-204;~~

10 ~~—— (f)(e) anticipated revenue from coal gross proceeds under 15-23-703;~~

11 ~~—— (g)(f) anticipated oil and natural gas production taxes;~~

12 ~~—— (h)(g) anticipated local government severance tax payments for calendar year 1995 production;~~

13 ~~—— (i)(h) anticipated transportation payments for out-of-district pupils under the provisions of~~  
14 ~~20-5-320 through 20-5-324;~~

15 ~~—— (j)(i) any other revenue anticipated by the trustees to be earned during the ensuing school fiscal~~  
16 ~~year that may be used to finance the transportation fund; and~~

17 ~~—— (k)(j) any fund balance available for reappropriation as determined by subtracting the amount of~~  
18 ~~the end-of-the-year fund balance earmarked as the transportation fund operating reserve for the ensuing~~  
19 ~~school fiscal year by the trustees from the end-of-the-year fund balance in the transportation fund. The~~  
20 ~~operating reserve may not be more than 20% of the final transportation fund budget for the ensuing school~~  
21 ~~fiscal year and is for the purpose of paying transportation fund warrants issued by the district under the~~  
22 ~~final transportation fund budget.~~

23 ~~—— (4) The district levy requirement for each district's transportation fund must be computed by:~~

24 ~~—— (a) subtracting the schedule amount calculated in subsection (1) from the total preliminary~~  
25 ~~transportation budget amount; and~~

26 ~~—— (b) subtracting the amount of money available to reduce the property tax on the district, as~~  
27 ~~determined in subsection (3), from the amount determined in subsection (4)(a).~~

28 ~~—— (5) The transportation fund levy requirements determined in subsection (4) for each district must~~  
29 ~~be reported to the county commissioners on the fourth Monday of August by the county superintendent~~  
30 ~~as the transportation fund levy requirements for the district, and the levy must be made by the county~~

1 ~~commissioners in accordance with 20-9-142."~~

2

3 **SECTION 122. SECTION 20-10-144, MCA, IS AMENDED TO READ:**

4 **"20-10-144. Computation of revenue and net tax levy requirements for district transportation fund**  
5 **budget.** Before the second Monday of August, the county superintendent shall compute the revenue  
6 available to finance the transportation fund budget of each district. The county superintendent shall  
7 compute the revenue for each district on the following basis:

8 (1) The "schedule amount" of the budget expenditures that is derived from the rate schedules in  
9 20-10-141 and 20-10-142 must be determined by adding the following amounts:

10 (a) the sum of the maximum reimbursable expenditures for all approved school bus routes  
11 maintained by the district (to determine the maximum reimbursable expenditure, multiply the applicable  
12 rate for each bus mile by the total number of miles to be traveled during the ensuing school fiscal year on  
13 each bus route approved by the county transportation committee and maintained by the district); plus

14 (b) the total of all individual transportation per diem reimbursement rates for the district as  
15 determined from the contracts submitted by the district multiplied by the number of pupil-instruction days  
16 scheduled for the ensuing school attendance year; plus

17 (c) any estimated costs for supervised home study or supervised correspondence study for the  
18 ensuing school fiscal year; plus

19 (d) the amount budgeted in the budget for the contingency amount permitted in 20-10-143,  
20 except if the amount exceeds 10% of the total of subsections (1)(a), (1)(b), and (1)(c) or \$100, whichever  
21 is larger, the contingency amount on the budget must be reduced to the limitation amount and used in this  
22 determination of the schedule amount; plus

23 (e) any estimated costs for transporting a child out of district when the child has mandatory  
24 approval to attend school in a district outside the district of residence.

25 (2) (a) The schedule amount determined in subsection (1) or the total transportation fund budget,  
26 whichever is smaller, is divided by 2 and is used to determine the available state and county revenue to  
27 be budgeted on the following basis:

28 (i) one-half is the budgeted state transportation reimbursement, except that the state  
29 transportation reimbursement for the transportation of special education pupils under the provisions of  
30 20-7-442 must be 50% of the schedule amount attributed to the transportation of special education



1 pupils; and

2 (ii) one-half is the budgeted county transportation fund reimbursement and must be financed in the  
3 manner provided in 20-10-146.

4 (b) When the district has a sufficient amount of fund balance for reappropriation and other sources  
5 of district revenue, as determined in subsection (3), to reduce the total district obligation for financing to  
6 zero, any remaining amount of district revenue and fund balance reappropriated must be used to reduce  
7 the county financing obligation in subsection (2)(a)(ii) and, if the county financing obligations are reduced  
8 to zero, to reduce the state financial obligation in subsection (2)(a)(i).

9 (c) The county revenue requirement for a joint district, after the application of any district money  
10 under subsection (2)(b), must be prorated to each county incorporated by the joint district in the same  
11 proportion as the ANB of the joint district is distributed by pupil residence in each county.

12 (3) The total of the money available for the reduction of property tax on the district for the  
13 transportation fund must be determined by totaling:

14 (a) anticipated federal money received under the provisions of 20 U.S.C. 7701, et seq., or other  
15 anticipated federal money received in lieu of that federal act;

16 (b) anticipated payments from other districts for providing school bus transportation services for  
17 the district;

18 (c) anticipated payments from a parent or guardian for providing school bus transportation services  
19 for a child;

20 (d) anticipated or reappropriated interest to be earned by the investment of transportation fund  
21 cash in accordance with the provisions of 20-9-213(4);

22 ~~(e) anticipated or reappropriated revenue from property taxes and fees imposed under 23-2-517,~~  
23 ~~23-2-803, 61-3-521, 61-3-527, 61-3-529, 61-3-537, 61-3-560 through 61-3-562, 61-3-570, and~~  
24 ~~67-3-204;~~

25 ~~(f)(e)~~ anticipated revenue from coal gross proceeds under 15-23-703;

26 ~~(g)(f)~~ anticipated oil and natural gas production taxes;

27 ~~(h)(g)~~ anticipated local government severance tax payments for calendar year 1995 production;

28 ~~(i)(h)~~ anticipated transportation payments for out-of-district pupils under the provisions of  
29 20-5-320 through 20-5-324;

30 (i) school district block grants distributed under [section 244];

(j) any other revenue anticipated by the trustees to be earned during the ensuing school fiscal year that may be used to finance the transportation fund; and

(k) any fund balance available for reappropriation as determined by subtracting the amount of the end-of-the-year fund balance earmarked as the transportation fund operating reserve for the ensuing school fiscal year by the trustees from the end-of-the-year fund balance in the transportation fund. The operating reserve may not be more than 20% of the final transportation fund budget for the ensuing school fiscal year and is for the purpose of paying transportation fund warrants issued by the district under the final transportation fund budget.

(4) The district levy requirement for each district's transportation fund must be computed by:

(a) subtracting the schedule amount calculated in subsection (1) from the total preliminary transportation budget amount; and

(b) subtracting the amount of money available to reduce the property tax on the district, as determined in subsection (3), from the amount determined in subsection (4)(a).

(5) The transportation fund levy requirements determined in subsection (4) for each district must be reported to the county commissioners on the fourth Monday of August by the county superintendent as the transportation fund levy requirements for the district, and the levy must be made by the county commissioners in accordance with 20-9-142."

~~Section 124. Section 20-10-146, MCA, is amended to read:~~

~~"20-10-146. County transportation reimbursement. (1) The apportionment of the county transportation reimbursement by the county superintendent for school bus transportation or individual transportation that is actually rendered by a district in accordance with this title, board of public education transportation policy, and the transportation rules of the superintendent of public instruction must be the same as the state transportation reimbursement payment, except that:~~

~~(a) if any cash was used to reduce the budgeted county transportation reimbursement under the provisions of 20-10-144(2)(b), the annual apportionment is limited to the budget amount;~~

~~(b) when the county transportation reimbursement for a school bus has been prorated between two or more counties because the school bus is conveying pupils of more than one district located in the counties, the apportionment of the county transportation reimbursement must be adjusted to pay the amount computed under the proration; and~~

1 ~~——— (c) when county transportation reimbursement is required under the mandatory attendance~~  
2 ~~agreement provisions of 20-5-321.~~

3 ~~——— (2) The county transportation net levy requirement for the financing of the county transportation~~  
4 ~~fund reimbursements to districts is computed by:~~

5 ~~——— (a) totaling the net requirement for all districts of the county, including reimbursements to a special~~  
6 ~~education cooperative or prorated reimbursements to joint districts or reimbursements under the mandatory~~  
7 ~~attendance agreement provisions of 20-5-321;~~

8 ~~——— (b) determining the sum of the money available to reduce the county transportation net levy~~  
9 ~~requirement by adding:~~

10 ~~——— (i) anticipated money that may be realized in the county transportation fund during the ensuing~~  
11 ~~school fiscal year, including anticipated revenue from property taxes and fees imposed under 23-2-517,~~  
12 ~~23-2-803, 61-3-521, 61-3-527, 61-3-529, 61-3-537, 61-3-560 through 61-3-562, 61-3-570, and~~  
13 ~~67-3-204;~~

14 ~~——— (ii) oil and natural gas production taxes;~~

15 ~~——— (iii) anticipated local government severance tax payments for calendar year 1995 production;~~

16 ~~——— (iv) coal gross proceeds taxes under 15-23-703;~~

17 ~~——— (v) COUNTYWIDE SCHOOL TRANSPORTATION BLOCK GRANTS DISTRIBUTED UNDER [SECTION 245-247];~~

18 ~~——— (v)(vi) any fund balance available for reappropriation from the end of the year fund balance in the~~  
19 ~~county transportation fund;~~

20 ~~——— (vi)(vii) federal forest reserve funds allocated under the provisions of 17-3-213; and~~

21 ~~——— (vii)(viii) other revenue anticipated that may be realized in the county transportation fund during~~  
22 ~~the ensuing school fiscal year; and~~

23 ~~——— (c) subtracting the money available, as determined in subsection (2)(b), to reduce the levy~~  
24 ~~requirement from the county transportation net levy requirement.~~

25 ~~——— (3) The net levy requirement determined in subsection (2)(c) must be reported to the county~~  
26 ~~commissioners on the fourth Monday of August by the county superintendent, and a levy must be set by~~  
27 ~~the county commissioners in accordance with 20-9-142.~~

28 ~~——— (4) The county superintendent shall apportion the county transportation reimbursement from the~~  
29 ~~proceeds of the county transportation fund. The county superintendent shall order the county treasurer~~  
30 ~~to make the apportionments in accordance with 20-9-212(2) and after the receipt of the semiannual state~~

1 transportation reimbursement payments."

2

3 ~~SECTION 129. SECTION 20-10-146, MCA, IS AMENDED TO READ:~~

4 ~~"20-10-146. County transportation reimbursement. (1) The apportionment of the county~~  
5 ~~transportation reimbursement by the county superintendent for school bus transportation or individual~~  
6 ~~transportation that is actually rendered by a district in accordance with this title, board of public education~~  
7 ~~transportation policy, and the transportation rules of the superintendent of public instruction must be the~~  
8 ~~same as the state transportation reimbursement payment, except that:~~

9 ~~—— (a) if any cash was used to reduce the budgeted county transportation reimbursement under the~~  
10 ~~provisions of 20-10-144(2)(b), the annual apportionment is limited to the budget amount;~~

11 ~~—— (b) when the county transportation reimbursement for a school bus has been prorated between~~  
12 ~~two or more counties because the school bus is conveying pupils of more than one district located in the~~  
13 ~~counties, the apportionment of the county transportation reimbursement must be adjusted to pay the~~  
14 ~~amount computed under the proration; and~~

15 ~~—— (c) when county transportation reimbursement is required under the mandatory attendance~~  
16 ~~agreement provisions of 20-5-321.~~

17 ~~—— (2) The county transportation net levy requirement for the financing of the county transportation~~  
18 ~~fund reimbursements to districts is computed by:~~

19 ~~—— (a) totaling the net requirement for all districts of the county, including reimbursements to a special~~  
20 ~~education cooperative or prorated reimbursements to joint districts or reimbursements under the mandatory~~  
21 ~~attendance agreement provisions of 20-5-321;~~

22 ~~—— (b) determining the sum of the money available to reduce the county transportation net levy~~  
23 ~~requirement by adding:~~

24 ~~—— (i) anticipated money that may be realized in the county transportation fund during the ensuing~~  
25 ~~school fiscal year, including anticipated revenue from property taxes and fees imposed under 23-2-517,~~  
26 ~~23-2-803, 61-3-521, 61-3-527, 61-3-529, 61-3-537, 61-3-560 through 61-3-562, 61-3-570, and~~  
27 ~~67-3-204;~~

28 ~~—— (ii) oil and natural gas production taxes;~~

29 ~~—— (iii) anticipated local government severance tax payments for calendar year 1995 production;~~

30 ~~—— (iv) coal gross proceeds taxes under 15-23-703;~~

~~1 ——— (v) any fund balance available for reappropriation from the end-of-the-year fund balance in the  
2 county transportation fund;~~

~~3 ——— (vi) federal forest reserve funds allocated under the provisions of 17-3-213; and~~

~~4 ——— (vii) other revenue anticipated that may be realized in the county transportation fund during the  
5 ensuing school fiscal year; and~~

~~6 ——— (c) subtracting the money available, as determined in subsection (2)(b), to reduce the levy  
7 requirement from the county transportation net levy requirement.~~

~~8 ——— (3) The net levy requirement determined in subsection (2)(c) must be reported to the county  
9 commissioners on the fourth Monday of August by the county superintendent, and a levy must be set by  
10 the county commissioners in accordance with 20-9-142.~~

~~11 ——— (4) The county superintendent shall apportion the county transportation reimbursement from the  
12 proceeds of the county transportation fund. The county superintendent shall order the county treasurer  
13 to make the apportionments in accordance with 20-9-212(2) and after the receipt of the semiannual state  
14 transportation reimbursement payments."~~

**SECTION 123. SECTION 20-10-146, MCA, IS AMENDED TO READ:**

**"20-10-146. County transportation reimbursement.** (1) The apportionment of the county transportation reimbursement by the county superintendent for school bus transportation or individual transportation that is actually rendered by a district in accordance with this title, board of public education transportation policy, and the transportation rules of the superintendent of public instruction must be the same as the state transportation reimbursement payment, except that:

(a) if any cash was used to reduce the budgeted county transportation reimbursement under the provisions of 20-10-144(2)(b), the annual apportionment is limited to the budget amount;

(b) when the county transportation reimbursement for a school bus has been prorated between two or more counties because the school bus is conveying pupils of more than one district located in the counties, the apportionment of the county transportation reimbursement must be adjusted to pay the amount computed under the proration; and

(c) when county transportation reimbursement is required under the mandatory attendance agreement provisions of 20-5-321.

(2) The county transportation net levy requirement for the financing of the county transportation

1 fund reimbursements to districts is computed by:

2 (a) totaling the net requirement for all districts of the county, including reimbursements to a special  
3 education cooperative or prorated reimbursements to joint districts or reimbursements under the mandatory  
4 attendance agreement provisions of 20-5-321;

5 (b) determining the sum of the money available to reduce the county transportation net levy  
6 requirement by adding:

7 (i) anticipated money that may be realized in the county transportation fund during the ensuing  
8 school fiscal year, ~~including anticipated revenue from property taxes and fees imposed under 23-2-517,~~  
9 ~~23-2-803, 61-3-521, 61-3-527, 61-3-529, 61-3-537, 61-3-560 through 61-3-562, 61-3-570, and~~  
10 ~~67-3-204;~~

11 (ii) oil and natural gas production taxes;

12 (iii) anticipated local government severance tax payments for calendar year 1995 production;

13 (iv) coal gross proceeds taxes under 15-23-703;

14 (v) countywide school transportation block grants distributed under [section 246];

15 ~~(v)~~(vi) any fund balance available for reappropriation from the end-of-the-year fund balance in the  
16 county transportation fund;

17 ~~(vi)~~(vii) federal forest reserve funds allocated under the provisions of 17-3-213; and

18 ~~(vii)~~(viii) other revenue anticipated that may be realized in the county transportation fund during  
19 the ensuing school fiscal year; and

20 (c) subtracting the money available, as determined in subsection (2)(b), to reduce the levy  
21 requirement from the county transportation net levy requirement.

22 (3) The net levy requirement determined in subsection (2)(c) must be reported to the county  
23 commissioners on the fourth Monday of August by the county superintendent, and a levy must be set by  
24 the county commissioners in accordance with 20-9-142.

25 (4) The county superintendent shall apportion the county transportation reimbursement from the  
26 proceeds of the county transportation fund. The county superintendent shall order the county treasurer  
27 to make the apportionments in accordance with 20-9-212(2) and after the receipt of the semiannual state  
28 transportation reimbursement payments."

29

30 **Section 124.** Section 20-15-305, MCA, is amended to read:

1           **"20-15-305. Adult education tax levy.** A community college is considered a district for the  
2 purposes of adult education and under the provisions for adult education may, subject to 15-10-420, levy  
3 a ~~1-mill~~ tax for the support of its adult education program when the superintendent of public instruction  
4 approves the program."

5  
6           **Section 125.** Section 20-15-311, MCA, is amended to read:

7           **"20-15-311. Funding sources.** The annual operating budget of a community college district must  
8 be financed from the following sources:

9           (1) the estimated revenue to be realized from student tuition and fees, except revenue related to  
10 community service courses as defined by the board of regents;

11           (2) subject to 15-10-420, a mandatory mill levy on the community college district;

12           (3) subject to 15-10-420, the ~~1-mill~~ adult education levy authorized under provisions of  
13 20-15-305;

14           (4) the state general fund appropriation;

15           (5) an optional voted levy on the community college district that must be submitted to the  
16 electorate in accordance with general school election laws;

17           (6) all other income, revenue, balances, or reserves not restricted by a source outside the  
18 community college district to a specific purpose;

19           (7) income, revenue, balances, or reserves restricted by a source outside the community college  
20 district to a specific purpose. Student fees paid for community service courses as defined by the board  
21 of regents are considered restricted to a specific purpose;

22           (8) income from a political subdivision that is designated a community college service region under  
23 20-15-241."

24  
25           **Section 126.** Section 20-15-326, MCA, is amended to read:

26           **"20-15-326. Determination of available financing -- fixing and levying property taxation for**  
27 **emergency budget.** (1) After the last day of the fiscal year for which an emergency budget has been  
28 adopted, the board of trustees shall determine the amount of the cash balance that is available to finance  
29 the emergency budget's outstanding warrants or registered warrants for each fund included on the  
30 emergency budget. The available amount of the cash balance of each fund must be determined by

deducting from the county treasurer's yearend cash balance for the fund the outstanding warrants or registered warrants issued under the regularly adopted final budget for the fund and the cash reserve for the fund that the trustees have established, within the limitations of law, for the following fiscal year.

(2) The county treasurer shall prepare and deliver a statement on the financial cash status of each fund included on an emergency budget for a district that had an emergency budget during the preceding year to the board of county commissioners by the first Monday in August. The statement for each district emergency budget must include:

(a) the total amount of emergency warrants that are registered against each fund of the district; and

(b) the additional amount of money that is required to finance the registered warrants and interest on the warrants and that must be raised by a tax levy.

(3) For each fund of the emergency budget of each district requiring a tax levy as established by subsection (2)(b), the board of county commissioners shall, ~~subject to 15-10-420 and~~ at the time all other district and county taxes are fixed and levied, levy a tax on the taxable value of all taxable property of each applicable district that will raise sufficient financing to pay the amount established by the county treasurer."

~~Section 128. Section 20-25-1002, MCA, is amended to read:~~

~~"20-25-1002. State motorcycle safety account -- proceeds earmarked for account. (1) There is a state motorcycle safety account in the treasury of the state of Montana.~~

~~(2) Money collected and accrued from motorcycle safety training courses, motorcycle endorsement fees, motorcycle registration fees, MOTORCYCLE SAFETY FEES, and designated grants or an amount equal to that amount must be deposited in the state motorcycle safety account and must be available to support only approved motorcycle safety training courses, appropriate instructor of motorcycle safety training, and other related motorcycle safety training activities."~~

**SECTION 127. SECTION 20-25-1002, MCA, IS AMENDED TO READ:**

**"20-25-1002. State motorcycle safety account -- proceeds earmarked for account. (1) There is a state motorcycle safety account in the treasury of the state of Montana.**

**(2) Money collected and accrued from motorcycle safety training courses, motorcycle**



endorsement fees, motorcycle ~~registration~~ safety fees, and designated grants or an amount equal to that amount must be deposited in the state motorcycle safety account and must be available to support only approved motorcycle safety training courses, appropriate instructor of motorcycle safety training, and other related motorcycle safety training activities."

**Section 128.** Section 22-1-304, MCA, is amended to read:

**"22-1-304. Tax levy -- special library fund -- bonds.** (1) Subject to 15-10-420, the governing body of a city or county that has established a public library may levy in the same manner and at the same time as other taxes are levied a special tax in the amount necessary to maintain adequate public library service. ~~The special tax levy that may be levied by the governing body of a county may not exceed 5 mills on the dollar on all property in the county. The special tax that may be levied by the governing body of a city may not exceed 7 mills on the dollar on all property in the city.~~

(2) (a) The governing body of a city or county may by resolution submit the question of ~~exceeding the maximum~~ imposing a tax levy provided in subsection (1) to a vote of the qualified electors at the next appropriate election or at a special election as provided for in Title 13 an election as provided in [section 2]. The resolution must be adopted at least 75 days prior to the election at which the question will be voted on.

(b) Upon a petition being filed with the governing body and signed by not less than 5% of the resident taxpayers of any city or county requesting an election for the purpose of ~~exceeding the maximum~~ imposing a mill levy, the governing body shall submit to a vote of the qualified electors at the next election or at a special election as provided for in Title 13 [section 2] the question of ~~exceeding~~ imposing the ~~maximum~~ mill levy. The petition must be delivered to the governing body at least 90 days prior to the election at which the question will be voted on.

~~(c) The question must be submitted by ballots upon which the words "FOR exceeding the ... mill maximum levy and authorizing an additional ... mill(s) for the library" and "AGAINST exceeding the ... mill maximum library levy" must appear, with a square before each proposition and a direction to insert an "X" mark in the square before one or the other of the propositions.~~

~~—— (d) The ballots must also specify the amount of time during which the proposed increase exceeding the maximum mill levy is to be in effect.~~

~~—— (e) The votes cast for the adoption or rejection of the question must be canvassed, and:~~

1 ~~—— (i) if a majority of the voters voting on the question vote to exceed the maximum mill levy, the~~  
2 ~~governing body shall levy the additional tax for the time specified on the ballot; or~~

3 ~~—— (ii) if a majority of the voters voting on the question vote to not exceed the maximum mill levy,~~  
4 ~~the maximum mill levy may not be exceeded.~~

5 (3) The municipal tax authorized in this section is in addition to all other taxes authorized by law  
6 and is not within the all-purpose mill levy established by 7-6-4451 ~~through~~ and 7-6-4453.

7 (4) The proceeds of the tax constitute a separate fund called the public library fund and may not  
8 be used for any purpose except those of the public library.

9 (5) Money may not be paid out of the public library fund by the treasurer of the city or county  
10 except by order or warrant of the board of library trustees.

11 (6) Bonds may be issued by the governing body in the manner prescribed by law for the following  
12 purposes:

13 (a) building, altering, repairing, furnishing, or equipping a public library or purchasing land for the  
14 library;

15 (b) buying a bookmobile or bookmobiles; and

16 (c) funding a judgment against the library."

17

18 ~~—— **SECTION 130.** SECTION 23-2-508, MCA, IS AMENDED TO READ:~~

19 ~~—— **"23-2-508. Certificate of ownership -- filing of security interests.** (1) Except as provided in~~  
20 ~~subsection (9), a motorboat or sailboat 12 feet in length or longer may not be operated upon the waters~~  
21 ~~of the state unless a certificate of ownership has first been obtained from the department of justice in~~  
22 ~~accordance with the laws of this state.~~

23 ~~—— (2) The owner of a motorboat or sailboat 12 feet in length or longer shall apply for a certificate~~  
24 ~~of ownership and a certificate of number with the county treasurer of the county in which the owner~~  
25 ~~resides, upon forms furnished by the department of justice. The forms must require the following~~  
26 ~~information:~~

27 ~~—— (a) name of the owner;~~

28 ~~—— (b) residence of the owner, by town or county;~~

29 ~~—— (c) business or home address of the owner;~~

30 ~~—— (d) name and address of any lienholder;~~

- 1 ~~—— (e) amount due under any contract or lien;~~  
2 ~~—— (f) name of the manufacturer;~~  
3 ~~—— (g) model number or name;~~  
4 ~~—— (h) identification number;~~  
5 ~~—— (i) name and address of the dealer or other person from whom acquired, if known; and~~  
6 ~~—— (j) other information as that the department of justice may require.~~  
7 ~~—— (3) The application is to be accompanied by documentation of ownership, such as an invoice, a~~  
8 ~~bill of sale, a foreign title, an official certificate of boat number, a fee in lieu of tax receipt, or a certificate~~  
9 ~~of ownership of a trailer purchased with the motorboat or sailboat. An applicant who fails to provide proof~~  
10 ~~of ownership shall provide a certified statement describing how the motorboat or sailboat 12 feet in length~~  
11 ~~or longer was acquired, from whom acquired, if known, and other information requested by the department~~  
12 ~~of justice.~~  
13 ~~—— (4) If a certificate of ownership has previously been issued under the provisions of this part, the~~  
14 ~~application for a new certificate must be accompanied by the immediately previous certificate. This~~  
15 ~~subsection does not apply to motorboats or sailboats 12 feet in length or longer that are purchased as new~~  
16 ~~and unused vessels or that were operated when the provisions of this part were not in force and effect.~~  
17 ~~—— (5) A motorboat or sailboat 12 feet in length or longer that does not have a manufacturer's or~~  
18 ~~other identifying number on the motorboat or sailboat must be assigned an identification number by the~~  
19 ~~department of fish, wildlife, and parks. A fee of \$1 must be paid to the department for an assignment of~~  
20 ~~number.~~  
21 ~~—— (6) Upon completion of the application, the county treasurer shall issue to the applicant two copies~~  
22 ~~of the certificate of number application, one of which must be marked "file copy". The treasurer shall~~  
23 ~~forward one copy and the original application for a certificate of ownership to the department of justice;~~  
24 ~~which shall enter the information contained in the application upon the corresponding records of its office~~  
25 ~~and shall furnish the applicant a certificate of ownership containing that information in the application~~  
26 ~~considered necessary by the department and a permanent boat number. The certificate of ownership need~~  
27 ~~not be renewed annually and is valid as long as the person holding it owns the vessel.~~  
28 ~~—— (7) The owner shall at all times retain possession of the certificate of ownership, except when it~~  
29 ~~is being transmitted to and from the department of justice for endorsement or cancellation.~~  
30 ~~—— (8) Upon application for a certificate of ownership, a fee of \$5 must be paid to the county~~

1 ~~treasurer, \$3.50 of which must be forwarded by the county treasurer to the department of justice and~~  
2 ~~deposited in the general fund.~~

3 ~~——— (9) A person who, on July 1, 1988, is the owner of a motorboat or sailboat 12 feet in length or~~  
4 ~~longer with a valid certificate of number issued by the state is not required to file an application for a~~  
5 ~~certificate of ownership for the motorboat or sailboat unless the person transfers a part of the person's~~  
6 ~~interest in the motorboat or sailboat or renews the certificate of number for the motorboat or sailboat.~~

7 ~~——— (10) The department of justice may not file a voluntary security interest or lien unless it is~~  
8 ~~accompanied by or specified in the application for a certificate of ownership of the boat encumbered. If~~  
9 ~~the approved lien notice is transmitted to the department of justice, the security agreement or other lien~~  
10 ~~instrument that creates the security interest must be retained by the secured party. A copy of the security~~  
11 ~~agreement is sufficient as a lien notice if it contains the name and address of the debtor and the secured~~  
12 ~~party, the complete boat description, the amount of the lien, and the signature of the debtor. The~~  
13 ~~department of justice shall file voluntary security interests and liens by entering the name and address of~~  
14 ~~the secured party upon the face of the certificate of ownership. Involuntary liens must be filed against the~~  
15 ~~record of the boat encumbered. The department of justice shall mail a statement certifying the filing of a~~  
16 ~~security interest or lien to the secured party. The department of justice shall mail the certificate of~~  
17 ~~ownership to the owner at the address given on the certificate; however, if the transfer of ownership and~~  
18 ~~filing of the security interest are paid for by a creditor or secured party, the department of justice shall~~  
19 ~~return the certificate of ownership to the county treasurer of the county in which the boat is to be~~  
20 ~~registered. The owner of a boat is the person entitled to operate and possess the boat.~~

21 ~~——— (11) A security interest in a boat held as inventory by a dealer must be perfected in accordance~~  
22 ~~with Title 30, chapter 9.~~

23 ~~——— (12) Whenever a security interest or lien is filed against a boat that is subject to two security~~  
24 ~~interests previously perfected under this section, the department of justice shall endorse on the face of~~  
25 ~~the certificate of ownership: "NOTICE. This boat is subject to additional security interest on file with the~~  
26 ~~Department of Justice."~~ No other information regarding the additional security interests need be endorsed  
27 ~~on the certificate.~~

28 ~~——— (13) Satisfactions or statements of release filed with the department of justice under this part must~~  
29 ~~be retained for a period of 8 years after receipt, after which they may be destroyed.~~

30 ~~——— (14) Except as provided in subsection (15), a voluntary security interest or lien is perfected on the~~

~~date the lien notice is delivered to the county treasurer. On that date, the county treasurer shall issue to the secured party a receipt evidencing the perfection. Perfection under this section constitutes constructive notice to subsequent purchasers or encumbrancers, from the date of delivery of the lien notice to the county treasurer, of the existence of the security interest.~~

~~———— (15) Voluntary security interests or lien filings that do not require transfer of ownership are perfected on the date the lien notice and the certificate of ownership or manufacturer's statement of origin are received by the department of justice. On that date, the department of justice shall issue to the secured party a receipt evidencing the perfection. Perfection under this subsection constitutes constructive notice to subsequent purchasers or encumbrancers, from the date the lien notice is delivered to the department of justice, of the existence of the security interest.~~

~~———— (16) Upon default under a chattel mortgage or conditional sales contract covering a boat, the mortgagee or vendor has the same remedies as in the case of other personal property. In case of attachment of a boat, all the provisions of 27-18-413, 27-18-414, and 27-18-804 are applicable, except that deposits must be made with the department of justice.~~

~~———— (17) A conditional sales vendor or chattel mortgagee or assignee who fails to file a satisfaction of a chattel mortgage, assignment, or conditional sales contract within 15 days after receiving final payment is required to pay the department of justice the sum of \$1 for each day that the person fails to file the satisfaction.~~

~~———— (18) Upon receipt of notice of any involuntary liens or attachments against the record of any boat registered in this state, the department of justice shall within 24 hours mail to the owner, conditional sales vendor, mortgagee, or their assignee a notice showing the name and address of the lien claimant, the amount of the lien, the date of execution of the lien, and, in the case of attachment, the full title of the court, the action, and the name of the attorney for the plaintiff or the name of the attaching creditor, or both.~~

~~———— (19) It is not necessary to refile with the department of justice any instruments on file in the office of the county clerk and recorder on October 1, 1989.~~

~~———— (20) A fee of \$4 must be paid to the department of justice to file any security interest or other lien against a boat. The \$4 fee must cover the cost of filing a satisfaction or release of the security interest and the cost of entering the satisfaction or release on the records of the department of justice and deleting the endorsement of the security interest from the face of the certificate of ownership. A fee of \$4 must~~

~~be paid to the department of justice for issuing a certified copy of a certificate of ownership subject to a security interest or other lien on file with the department of justice or for filing an assignment of any security interest or other lien on file with the department of justice. All fees provided for in this section must be paid to the county treasurer for deposit in the state general fund in accordance with 15-1-504."~~

**SECTION 129. SECTION 23-2-508, MCA, IS AMENDED TO READ:**

**"23-2-508. Certificate of ownership -- filing of security interests.** (1) Except as provided in subsection (9), a motorboat or sailboat 12 feet in length or longer may not be operated upon the waters of the state unless a certificate of ownership has first been obtained from the department of justice in accordance with the laws of this state.

(2) The owner of a motorboat or sailboat 12 feet in length or longer shall apply for a certificate of ownership and a certificate of number with the county treasurer of the county in which the owner resides, upon forms furnished by the department of justice. The forms must require the following information:

- (a) name of the owner;
- (b) residence of the owner, by town or county;
- (c) business or home address of the owner;
- (d) name and address of any lienholder;
- (e) amount due under any contract or lien;
- (f) name of the manufacturer;
- (g) model number or name;
- (h) identification number;
- (i) name and address of the dealer or other person from whom acquired, if known; and
- (j) other information ~~as~~ that the department of justice may require.

(3) The application is to be accompanied by documentation of ownership, such as an invoice, a bill of sale, a foreign title, an official certificate of boat number, a fee in lieu of tax receipt, or a certificate of ownership of a trailer purchased with the motorboat or sailboat. An applicant who fails to provide proof of ownership shall provide a certified statement describing how the motorboat or sailboat 12 feet in length or longer was acquired, from whom acquired, if known, and other information requested by the department of justice.

(4) If a certificate of ownership has previously been issued under the provisions of this part, the application for a new certificate must be accompanied by the immediately previous certificate. This subsection does not apply to motorboats or sailboats 12 feet in length or longer that are purchased as new and unused vessels or that were operated when the provisions of this part were not in force and effect.

(5) A motorboat or sailboat 12 feet in length or longer that does not have a manufacturer's or other identifying number on the motorboat or sailboat must be assigned an identification number by the department of fish, wildlife, and parks. A fee of \$1 must be paid to the department for an assignment of number.

(6) Upon completion of the application, the county treasurer shall issue to the applicant two copies of the certificate of number application, one of which must be marked "file copy". The treasurer shall forward one copy and the original application for a certificate of ownership to the department of justice, which shall enter the information contained in the application upon the corresponding records of its office and shall furnish the applicant a certificate of ownership containing that information in the application considered necessary by the department and a permanent boat number. The certificate of ownership need not be renewed annually and is valid as long as the person holding it owns the vessel.

(7) The owner shall at all times retain possession of the certificate of ownership, except when it is being transmitted to and from the department of justice for endorsement or cancellation.

(8) Upon application for a certificate of ownership, a fee of \$5 must be paid to the county treasurer, ~~\$3.50 of~~ which must be forwarded by the county treasurer to the department of justice and deposited in the general fund.

(9) A person who, on July 1, 1988, is the owner of a motorboat or sailboat 12 feet in length or longer with a valid certificate of number issued by the state is not required to file an application for a certificate of ownership for the motorboat or sailboat unless the person transfers a part of the person's interest in the motorboat or sailboat or renews the certificate of number for the motorboat or sailboat.

(10) The department of justice may not file a voluntary security interest or lien unless it is accompanied by or specified in the application for a certificate of ownership of the boat encumbered. If the approved lien notice is transmitted to the department of justice, the security agreement or other lien instrument that creates the security interest must be retained by the secured party. A copy of the security agreement is sufficient as a lien notice if it contains the name and address of the debtor and the secured party, the complete boat description, the amount of the lien, and the signature of the debtor. The

1 department of justice shall file voluntary security interests and liens by entering the name and address of  
2 the secured party upon the face of the certificate of ownership. Involuntary liens must be filed against the  
3 record of the boat encumbered. The department of justice shall mail a statement certifying the filing of a  
4 security interest or lien to the secured party. The department of justice shall mail the certificate of  
5 ownership to the owner at the address given on the certificate; however, if the transfer of ownership and  
6 filing of the security interest are paid for by a creditor or secured party, the department of justice shall  
7 return the certificate of ownership to the county treasurer of the county in which the boat is to be  
8 registered. The owner of a boat is the person entitled to operate and possess the boat.

9 (11) A security interest in a boat held as inventory by a dealer must be perfected in accordance  
10 with Title 30, chapter 9.

11 (12) Whenever a security interest or lien is filed against a boat that is subject to two security  
12 interests previously perfected under this section, the department of justice shall endorse on the face of  
13 the certificate of ownership: "NOTICE. This boat is subject to additional security interest on file with the  
14 Department of Justice." No other information regarding the additional security interests need be endorsed  
15 on the certificate.

16 (13) Satisfactions or statements of release filed with the department of justice under this part must  
17 be retained for a period of 8 years after receipt, after which they may be destroyed.

18 (14) Except as provided in subsection (15), a voluntary security interest or lien is perfected on the  
19 date the lien notice is delivered to the county treasurer. On that date, the county treasurer shall issue to  
20 the secured party a receipt evidencing the perfection. Perfection under this section constitutes constructive  
21 notice to subsequent purchasers or encumbrancers, from the date of delivery of the lien notice to the  
22 county treasurer, of the existence of the security interest.

23 (15) Voluntary security interests or lien filings that do not require transfer of ownership are  
24 perfected on the date the lien notice and the certificate of ownership or manufacturer's statement of origin  
25 are received by the department of justice. On that date, the department of justice shall issue to the  
26 secured party a receipt evidencing the perfection. Perfection under this subsection constitutes constructive  
27 notice to subsequent purchasers or encumbrancers, from the date the lien notice is delivered to the  
28 department of justice, of the existence of the security interest.

29 (16) Upon default under a chattel mortgage or conditional sales contract covering a boat, the  
30 mortgagee or vendor has the same remedies as in the case of other personal property. In case of



1 attachment of a boat, all the provisions of 27-18-413, 27-18-414, and 27-18-804 are applicable, except  
2 that deposits must be made with the department of justice.

3 (17) A conditional sales vendor or chattel mortgagee or assignee who fails to file a satisfaction of  
4 a chattel mortgage, assignment, or conditional sales contract within 15 days after receiving final payment  
5 is required to pay the department of justice the sum of \$1 for each day that the person fails to file the  
6 satisfaction.

7 (18) Upon receipt of notice of any involuntary liens or attachments against the record of any boat  
8 registered in this state, the department of justice shall within 24 hours mail to the owner, conditional sales  
9 vendor, mortgagee, or their assignee a notice showing the name and address of the lien claimant, the  
10 amount of the lien, the date of execution of the lien, and, in the case of attachment, the full title of the  
11 court, the action, and the name of the attorney for the plaintiff or the name of the attaching creditor, or  
12 both.

13 (19) It is not necessary to refile with the department of justice any instruments on file in the office  
14 of the county clerk and recorder on October 1, 1989.

15 (20) A fee of \$4 must be paid to the department of justice to file any security interest or other lien  
16 against a boat. The \$4 fee must cover the cost of filing a satisfaction or release of the security interest  
17 and the cost of entering the satisfaction or release on the records of the department of justice and deleting  
18 the endorsement of the security interest from the face of the certificate of ownership. A fee of \$4 must  
19 be paid to the department of justice for issuing a certified copy of a certificate of ownership subject to a  
20 security interest or other lien on file with the department of justice or for filing an assignment of any  
21 security interest or other lien on file with the department of justice. All fees provided for in this section  
22 must be paid to the county treasurer for deposit in the state general fund in accordance with 15-1-504."

23

24 ~~SECTION 131. SECTION 23-2-510, MCA, IS AMENDED TO READ:~~

25 ~~"23-2-510. Transfer of interest. (1) Except as provided in subsection (3), upon a transfer of a~~  
26 ~~certificate of ownership to a motorboat or sailboat 12 feet in length or longer registered as required under~~  
27 ~~the provisions of this part, the person whose title or interest is to be transferred shall sign the certificate~~  
28 ~~of ownership issued for the motorboat or sailboat in the appropriate space provided on the reverse side~~  
29 ~~of the certificate, and the signature must be acknowledged before the county treasurer, a deputy county~~  
30 ~~treasurer, or a notary public.~~

~~————(2) Within 30 calendar days after endorsement, the transferee shall make application for transfer of the certificate of ownership with the county treasurer of the county in which the transferee resides and also make application for registration of the motorboat or sailboat. The county treasurer shall forward the application to the department of justice, which shall file the application upon receipt. A certificate of ownership may not be issued by the department of justice until any outstanding certificate is surrendered to the department or its loss is established to the department's reasonable satisfaction. The county treasurer shall collect a fee of \$5 for each application for transfer of ownership, of which \$3.50 must be forwarded to the department of justice for deposit in the general fund.~~

~~————(3) A purchaser of a new or used motorboat or sailboat 12 feet in length or longer from a licensed dealer has a grace period of 30 calendar days from the date of purchase to register the motorboat or sailboat, make application for a certificate of ownership, and obtain a decal indicating that the fee in lieu of property tax has been paid on the vessel for the current year. It is not a violation of this part or any other law for the purchaser to operate a newly acquired motorboat or sailboat 12 feet in length or longer without a certificate of ownership, certificate of registration, and decal during the 30-day grace period. During this period the sticker provided for in subsection (4) must remain affixed to the motorboat or sailboat.~~

~~————(4) Prior to the delivery of a motorboat or sailboat 12 feet in length or longer to the purchaser, the dealer shall issue and affix to a motorboat or sailboat constructed after October 31, 1972, a sticker as prescribed by the department of justice. The sticker must contain the name and address of the purchaser, the date of sale, the name and address of the dealer, and a description of the motorboat or sailboat, including its serial number. The dealer shall keep a copy of the sticker for his the dealer's records and shall send a copy of the sticker to the department of justice.~~

~~————(5) A purchaser of a new or used motorboat or sailboat who is unable to record a transfer of ownership with the county treasurer at the time he makes of making an application for registration of the motorboat or sailboat because the certificate of ownership is lost, in the possession of third parties, or in the process of reissuance in this state or elsewhere may, upon making affidavit to that effect upon a form prescribed by the department of justice and upon the payment of the applicable fee in lieu of tax plus a fee of \$2 to be collected by the county treasurer and remitted to the department of justice for deposit in the general fund, obtain from the county treasurer of the county in which the boat is to be registered a temporary boat sticker of a size, color, and design as the department of justice may prescribe, to be~~

1 validated by the county treasurer for a period of 60 days from the date of issuance. The purchaser, upon  
2 displaying the sticker conspicuously on the motorboat or sailboat, may operate the motorboat or sailboat  
3 during the period for which the boat sticker has been validated without displaying the numbers and license  
4 decal for the current year. The county treasurer may not sell, and a person may not purchase, more than  
5 one 60-day temporary boat sticker for any motorboat or sailboat, the ownership of which has not changed  
6 since the issuance of the previous 60-day boat sticker.

7 ~~—— (6) The provisions of subsection (2) do not apply in the event of the transfer of a motorboat or~~  
8 ~~sailboat 12 feet in length or longer to a duly licensed dealer intending to resell the motorboat or sailboat~~  
9 ~~and who operates it only for demonstration purposes, but every a dealer, upon transferring his the dealer's~~  
10 ~~interest, shall deliver the certificate of ownership with an application for a new certificate executed by the~~  
11 ~~new owner in accordance with the provisions of this part. The department of justice, upon receipt of the~~  
12 ~~certificate of ownership and application for a new certificate containing notice of a security interest, if any,~~  
13 ~~shall issue a new certificate of ownership, together with a statement of any conditional sales contract,~~  
14 ~~mortgage, or other lien.~~

15 ~~—— (7) When the names and addresses of more than one owner who are members of the same~~  
16 ~~immediate family are listed on the certificate of ownership, joint ownership with right of survivorship, and~~  
17 ~~not as tenants in common, is presumed.~~

18 ~~—— (8) The provisions of 61-3-201(3) through (7) that apply to motor vehicles also apply to any~~  
19 ~~certificate of ownership transferred under this section."~~

20  
21 **SECTION 130. SECTION 23-2-510, MCA, IS AMENDED TO READ:**

22 **"23-2-510. Transfer of interest.** (1) Except as provided in subsection (3), upon a transfer of a  
23 certificate of ownership to a motorboat or sailboat 12 feet in length or longer registered as required under  
24 the provisions of this part, the person whose title or interest is to be transferred shall sign the certificate  
25 of ownership issued for the motorboat or sailboat in the appropriate space provided on the reverse side  
26 of the certificate, and the signature must be acknowledged before the county treasurer, a deputy county  
27 treasurer, or a notary public.

28 (2) Within 30 calendar days after endorsement, the transferee shall make application for transfer  
29 of the certificate of ownership with the county treasurer of the county in which the transferee resides and  
30 also make application for registration of the motorboat or sailboat. The county treasurer shall forward the

1 application to the department of justice, which shall file the application upon receipt. A certificate of  
2 ownership may not be issued by the department of justice until any outstanding certificate is surrendered  
3 to the department or its loss is established to the department's reasonable satisfaction. The county  
4 treasurer shall collect a fee of \$5 for each application for transfer of ownership, ~~of which \$3.50~~ must be  
5 forwarded to the department of justice for deposit in the general fund.

6 (3) A purchaser of a new or used motorboat or sailboat 12 feet in length or longer from a licensed  
7 dealer has a grace period of 30 calendar days from the date of purchase to register the motorboat or  
8 sailboat, make application for a certificate of ownership, and obtain a decal indicating that the fee in lieu  
9 of property tax has been paid on the vessel for the current year. It is not a violation of this part or any  
10 other law for the purchaser to operate a newly acquired motorboat or sailboat 12 feet in length or longer  
11 without a certificate of ownership, certificate of registration, and decal during the 30-day grace period.  
12 During this period the sticker provided for in subsection (4) must remain affixed to the motorboat or  
13 sailboat.

14 (4) Prior to the delivery of a motorboat or sailboat 12 feet in length or longer to the purchaser, the  
15 dealer shall issue and affix to a motorboat or sailboat constructed after October 31, 1972, a sticker as  
16 prescribed by the department of justice. The sticker must contain the name and address of the purchaser,  
17 the date of sale, the name and address of the dealer, and a description of the motorboat or sailboat,  
18 including its serial number. The dealer shall keep a copy of the sticker for ~~his~~ the dealer's records and shall  
19 send a copy of the sticker to the department of justice.

20 (5) A purchaser of a new or used motorboat or sailboat who is unable to record a transfer of  
21 ownership with the county treasurer at the time ~~he makes~~ of making an application for registration of the  
22 motorboat or sailboat because the certificate of ownership is lost, in the possession of third parties, or in  
23 the process of reissuance in this state or elsewhere may, upon making affidavit to that effect upon a form  
24 prescribed by the department of justice and upon the payment of the applicable fee in lieu of tax plus a  
25 fee of \$2 to be collected by the county treasurer and remitted to the department of justice for deposit in  
26 the general fund, obtain from the county treasurer of the county in which the boat is to be registered a  
27 temporary boat sticker of a size, color, and design as the department of justice may prescribe, to be  
28 validated by the county treasurer for a period of 60 days from the date of issuance. The purchaser, upon  
29 displaying the sticker conspicuously on the motorboat or sailboat, may operate the motorboat or sailboat  
30 during the period for which the boat sticker has been validated without displaying the numbers and license

1 decal for the current year. The county treasurer may not sell, and a person may not purchase, more than  
2 one 60-day temporary boat sticker for any motorboat or sailboat, the ownership of which has not changed  
3 since the issuance of the previous 60-day boat sticker.

4 (6) The provisions of subsection (2) do not apply in the event of the transfer of a motorboat or  
5 sailboat 12 feet in length or longer to a ~~duly~~ licensed dealer intending to resell the motorboat or sailboat  
6 and who operates it only for demonstration purposes, but ~~every~~ a dealer, upon transferring ~~his~~ the dealer's  
7 interest, shall deliver the certificate of ownership with an application for a new certificate executed by the  
8 new owner in accordance with the provisions of this part. The department of justice, upon receipt of the  
9 certificate of ownership and application for a new certificate containing notice of a security interest, if any,  
10 shall issue a new certificate of ownership, together with a statement of any conditional sales contract,  
11 mortgage, or other lien.

12 (7) When the names and addresses of more than one owner who are members of the same  
13 immediate family are listed on the certificate of ownership, joint ownership with right of survivorship, and  
14 not as tenants in common, is presumed.

15 (8) The provisions of 61-3-201(3) through (7) that apply to motor vehicles also apply to any  
16 certificate of ownership transferred under this section."  
17

18 ~~Section 132. Section 23-2-512, MCA, is amended to read:~~

19 ~~"23-2-512. Identification number. (1) The owner of each motorboat, sailboat, or personal~~  
20 ~~watercraft requiring numbering by this state shall file an application for number in the office of the county~~  
21 ~~treasurer where the motorboat, sailboat, or personal watercraft is owned, on forms prepared and furnished~~  
22 ~~by the department of justice. The application must be signed by the owner of the motorboat, sailboat, or~~  
23 ~~personal watercraft and be accompanied by a fee of \$2.50 ~~\$6~~ \$2.50 \$3.50. Any alteration, change, or~~  
24 ~~false statement contained in the application will render the certificate of number void. Upon receipt of the~~  
25 ~~application in approved form, the county treasurer shall issue to the applicant a certificate of number~~  
26 ~~prepared and furnished by the department of justice, stating the number assigned to the motorboat,~~  
27 ~~sailboat, or personal watercraft and the name and address of the owner.~~

28 ~~(2) The applicant, upon the filing of the application, shall pay to the county treasurer the fee in~~  
29 ~~lieu of tax required for a motorboat 10 feet in length or longer, a sailboat 12 feet in length or longer, or~~  
30 ~~a personal watercraft for the current year of certification before the application for certification or~~

1   ~~recertification may be accepted by the county treasurer.~~

2   ~~——— (3) Should the ownership of a motorboat, sailboat, or personal watercraft change, a new~~  
3   ~~application form with the certification fee must be filed within a reasonable time with the county treasurer~~  
4   ~~and a new certificate of number assigned in the same manner as provided for in an original assignment~~  
5   ~~of number.~~

6   ~~——— (4) If an agency of the United States government has in force a comprehensive system of~~  
7   ~~identification numbering for motorboats in the United States, the numbering system employed pursuant~~  
8   ~~to this part by the department of justice must be in conformity.~~

9   ~~——— (5) Every certificate of number and the license decals assigned under this part continues in effect~~  
10   ~~for a period not to exceed 1 year unless terminated or discontinued in accordance with the provisions of~~  
11   ~~this part. Certificates of number and license decals must show the date of expiration and may be renewed~~  
12   ~~by the owner in the same manner provided for in the initial securing of the certificate.~~

13   ~~——— (6) Certificates of number expire on December 31 of each year and may not be in effect unless~~  
14   ~~renewed under this part.~~

15   ~~——— (7) In the event of a transfer of ownership, the purchaser shall furnish the county treasurer notice~~  
16   ~~within a reasonable time of the acquisition of all or any part of the purchaser's interest, other than the~~  
17   ~~creation of a security interest, in a motorboat, sailboat, or personal watercraft numbered in this state or~~  
18   ~~of the loss, theft, destruction, or abandonment of the motorboat, sailboat, or personal watercraft. The~~  
19   ~~transfer, loss, theft, destruction, or abandonment terminates the certificate of number for the motorboat,~~  
20   ~~sailboat, or personal watercraft. Recovery from theft or transfer of a part interest that does not affect the~~  
21   ~~owner's right to operate the motorboat, sailboat, or personal watercraft does not terminate the certificate~~  
22   ~~of number.~~

23   ~~——— (8) A holder of a certificate of number shall notify the county treasurer within reasonable time if~~  
24   ~~the holder's address no longer conforms to the address appearing on the certificate and shall furnish the~~  
25   ~~county treasurer with the new address. The department of justice may provide by rule for the surrender~~  
26   ~~of the certificate bearing the former address and its replacement with a certificate bearing the new address~~  
27   ~~or the alteration of an outstanding certificate to show the new address of the holder.~~

28   ~~——— (9) (a) The number assigned must be painted on or attached to each outboard side of the forward~~  
29   ~~half of the motorboat, sailboat, or personal watercraft or, if there are no sides, at a corresponding location~~  
30   ~~on both outboard sides of the foredeck of the motorboat, sailboat, or personal watercraft. The number~~

1 assigned must read from left to right in Arabic numerals and block characters of good proportion at least  
2 3 inches tall excluding border or trim of a color that contrasts with the color of the background and be so  
3 maintained as to be clearly visible and legible. The number may not be placed on the obscured underside  
4 of the flared bow where it cannot be easily seen from another vessel or ashore. Numerals, letters, or  
5 devices other than those used in connection with the identifying number issued may not be placed in the  
6 proximity of the identifying number. Numerals, letters, or devices that might interfere with the ready  
7 identification of the motorboat, sailboat, or personal watercraft by its identifying number may not be  
8 carried in a manner that interferes with the motorboat's, sailboat's, or personal watercraft's identification.  
9 A number other than the number and license decal assigned to a motorboat, sailboat, or personal  
10 watercraft or granted reciprocity under this part may not be painted, attached, or otherwise displayed on  
11 either side of the forward half of the motorboat, sailboat, or personal watercraft.

12 ——— (b) The certificate of number must be pocket size and available to federal, state, or local law  
13 enforcement officers at all reasonable times for inspection on the motorboat, sailboat, or personal  
14 watercraft whenever the motorboat, sailboat, or personal watercraft is on waters of this state.

15 ——— (c) Boat liveries are not required to have the certificate of number on board each motorboat,  
16 sailboat, or personal watercraft, but a rental agreement must be carried on board livery motorboats,  
17 sailboats, or personal watercraft in place of the certificate of number.

18 ——— (10) (a) Except as provided in subsection (10)(b), fees Fees, other than the fee in lieu of tax,  
19 collected under this section must be transmitted to the state treasurer, who shall deposit the fees in the  
20 motorboat or sailboat certificate identification account of the state special revenue general fund. These  
21 fees must be used only for the administration and enforcement of this part, as amended.

22 ——— (b) Of the fee collected under the provisions of subsection (1), 20% must be deposited by the  
23 state treasurer in an account in the state special revenue fund to the credit of the department to be used  
24 to acquire and maintain marine sewage pumpout equipment and other boat facilities.

25 ——— (11) An owner of a motorboat, sailboat, or personal watercraft must shall within a reasonable time  
26 notify the department of justice, giving the motorboat's, sailboat's, or personal watercraft's identifying  
27 number and the owner's name when the motorboat, sailboat, or personal watercraft is transferred, lost,  
28 destroyed, or abandoned, or frauded or within 60 days after a change of state of principal use or if a  
29 motorboat becomes documented as a vessel of the United States."

30

1        **SECTION 131. SECTION 23-2-512, MCA, IS AMENDED TO READ:**

2        **"23-2-512. Identification number.** (1) The owner of each motorboat, sailboat, or personal  
3 watercraft requiring numbering by this state shall file an application for number in the office of the county  
4 treasurer where the motorboat, sailboat, or personal watercraft is owned, on forms prepared and furnished  
5 by the department of justice. The application must be signed by the owner of the motorboat, sailboat, or  
6 personal watercraft and be accompanied by a fee of ~~\$2.50~~ \$3.50. Any alteration, change, or false  
7 statement contained in the application will render the certificate of number void. Upon receipt of the  
8 application in approved form, the county treasurer shall issue to the applicant a certificate of number  
9 prepared and furnished by the department of justice, stating the number assigned to the motorboat,  
10 sailboat, or personal watercraft and the name and address of the owner.

11        (2) The applicant, upon the filing of the application, shall pay to the county treasurer the fee in  
12 lieu of tax required for a motorboat 10 feet in length or longer, a sailboat 12 feet in length or longer, or  
13 a personal watercraft for the current year of certification before the application for certification or  
14 recertification may be accepted by the county treasurer.

15        (3) Should the ownership of a motorboat, sailboat, or personal watercraft change, a new  
16 application form with the certification fee must be filed within a reasonable time with the county treasurer  
17 and a new certificate of number assigned in the same manner as provided for in an original assignment  
18 of number.

19        (4) If an agency of the United States government has in force a comprehensive system of  
20 identification numbering for motorboats in the United States, the numbering system employed pursuant  
21 to this part by the department of justice must be in conformity.

22        (5) Every certificate of number and the license decals assigned under this part continues in effect  
23 for a period not to exceed 1 year unless terminated or discontinued in accordance with the provisions of  
24 this part. Certificates of number and license decals must show the date of expiration and may be renewed  
25 by the owner in the same manner provided for in the initial securing of the certificate.

26        (6) Certificates of number expire on December 31 of each year and may not be in effect unless  
27 renewed under this part.

28        (7) In the event of a transfer of ownership, the purchaser shall furnish the county treasurer notice  
29 within a reasonable time of the acquisition of all or any part of the purchaser's interest, other than the  
30 creation of a security interest, in a motorboat, sailboat, or personal watercraft numbered in this state or



1 of the loss, theft, destruction, or abandonment of the motorboat, sailboat, or personal watercraft. The  
2 transfer, loss, theft, destruction, or abandonment terminates the certificate of number for the motorboat,  
3 sailboat, or personal watercraft. Recovery from theft or transfer of a part interest that does not affect the  
4 owner's right to operate the motorboat, sailboat, or personal watercraft does not terminate the certificate  
5 of number.

6 (8) A holder of a certificate of number shall notify the county treasurer within reasonable time if  
7 the holder's address no longer conforms to the address appearing on the certificate and shall furnish the  
8 county treasurer with the new address. The department of justice may provide by rule for the surrender  
9 of the certificate bearing the former address and its replacement with a certificate bearing the new address  
10 or the alteration of an outstanding certificate to show the new address of the holder.

11 (9) (a) The number assigned must be painted on or attached to each outboard side of the forward  
12 half of the motorboat, sailboat, or personal watercraft or, if there are no sides, at a corresponding location  
13 on both outboard sides of the foredeck of the motorboat, sailboat, or personal watercraft. The number  
14 assigned must read from left to right in Arabic numerals and block characters of good proportion at least  
15 3 inches tall excluding border or trim of a color that contrasts with the color of the background and be so  
16 maintained as to be clearly visible and legible. The number may not be placed on the obscured underside  
17 of the flared bow where it cannot be easily seen from another vessel or ashore. Numerals, letters, or  
18 devices other than those used in connection with the identifying number issued may not be placed in the  
19 proximity of the identifying number. Numerals, letters, or devices that might interfere with the ready  
20 identification of the motorboat, sailboat, or personal watercraft by its identifying number may not be  
21 carried in a manner that interferes with the motorboat's, sailboat's, or personal watercraft's identification.  
22 A number other than the number and license decal assigned to a motorboat, sailboat, or personal  
23 watercraft or granted reciprocity under this part may not be painted, attached, or otherwise displayed on  
24 either side of the forward half of the motorboat, sailboat, or personal watercraft.

25 (b) The certificate of number must be pocket size and available to federal, state, or local law  
26 enforcement officers at all reasonable times for inspection on the motorboat, sailboat, or personal  
27 watercraft whenever the motorboat, sailboat, or personal watercraft is on waters of this state.

28 (c) Boat liveries are not required to have the certificate of number on board each motorboat,  
29 sailboat, or personal watercraft, but a rental agreement must be carried on board livery motorboats,  
30 sailboats, or personal watercraft in place of the certificate of number.

(10) ~~(a) Except as provided in subsection (10)(b), fees Fees, other than the fee in lieu of tax, collected under this section must be transmitted to the state treasurer, who shall deposit the fees in the motorboat or sailboat certificate identification account of the state special revenue general fund. These fees must be used only for the administration and enforcement of this part, as amended.~~

~~———— (b) Of the fee collected under the provisions of subsection (1), 20% must be deposited by the state treasurer in an account in the state special revenue fund to the credit of the department to be used to acquire and maintain marine sewage pumpout equipment and other boat facilities.~~

(11) An owner of a motorboat, sailboat, or personal watercraft ~~must~~ shall within a reasonable time notify the department of justice, giving the motorboat's, sailboat's, or personal watercraft's identifying number and the owner's name when the motorboat, sailboat, or personal watercraft is transferred, lost, destroyed, or abandoned, ~~or frauded~~ or within 60 days after a change of state of principal use or if a motorboat becomes documented as a vessel of the United States."

~~———— **Section 133.** Section 23-2-518, MCA, is amended to read:~~

~~———— **"23-2-518. (Temporary) Disposition of fees in lieu of tax.** (1) Except for fees allocated under subsection (2), the The county treasurer shall distribute transfer all fees in lieu of tax collected on motorboats 10 feet in length or longer, sailboats 12 feet in length or longer, personal watercraft, motorized canoes, motorized rubber rafts, and motorized pontoons pursuant to 23-2-516 and 23-2-517 in the relative proportions required by the levies for state, county, school district, and municipal purposes in the same manner as personal property taxes are distributed to the state general fund.~~

~~———— (2) The county treasurer shall allocate 20% of all fees in lieu of tax collected under this section to the motorboat account in the state special revenue fund for use by the department as provided in 23-2-533. (Terminates June 30, 2002--sec. 9, Ch. 476, L. 1995.)~~

~~———— **23-2-518. (Effective July 1, 2002) Disposition of fees in lieu of tax.** The county treasurer shall distribute transfer all fees in lieu of tax collected on motorboats 10 feet in length or longer, sailboats 12 feet in length or longer, personal watercraft, motorized canoes, motorized rubber rafts, and motorized pontoons pursuant to 23-2-516 and 23-2-517 in the relative proportions required by the levies for state, county, school district, and municipal purposes in the same manner as personal property taxes are distributed to the state general fund."~~

1        **SECTION 132. SECTION 23-2-518, MCA, IS AMENDED TO READ:**

2        **"23-2-518. (Temporary) Disposition of fees in lieu of tax.** ~~(1) Except for fees allocated under~~  
3 ~~subsection (2), the~~ The county treasurer shall ~~distribute~~ transfer all fees in lieu of tax collected on  
4 motorboats 10 feet in length or longer, sailboats 12 feet in length or longer, personal watercraft, motorized  
5 canoes, motorized rubber rafts, and motorized pontoons pursuant to 23-2-516 and 23-2-517 ~~in the relative~~  
6 ~~proportions required by the levies for state, county, school district, and municipal purposes in the same~~  
7 ~~manner as personal property taxes are distributed~~ to the state general fund.

8        ~~(2) The county treasurer shall allocate 20% of all fees in lieu of tax collected under this section~~  
9 ~~to the motorboat account in the state special revenue fund for use by the department as provided in~~  
10 ~~23-2-533. (Terminates June 30, 2002--sec. 9, Ch. 476, L. 1995.)~~

11        **23-2-518. (Effective July 1, 2002) Disposition of fees in lieu of tax.** The county treasurer shall  
12 ~~distribute~~ transfer all fees in lieu of tax collected on motorboats 10 feet in length or longer, sailboats 12  
13 feet in length or longer, personal watercraft, motorized canoes, motorized rubber rafts, and motorized  
14 pontoons pursuant to 23-2-516 and 23-2-517 ~~in the relative proportions required by the levies for state,~~  
15 ~~county, school district, and municipal purposes in the same manner as personal property taxes are~~  
16 ~~distributed~~ to the state general fund."

17  
18        ~~**SECTION 134. SECTION 23-2-611, MCA, IS AMENDED TO READ:**~~

19        ~~**"23-2-611. Certificate of ownership -- filing of security interests.** (1) A snowmobile may not be~~  
20 ~~operated upon any private or public lands, trails, easements, lakes, rivers, streams, roadways or shoulders~~  
21 ~~of roadways, streets, or highways unless a certificate of ownership has first been obtained from the~~  
22 ~~department of justice in accordance with the laws of this state. A certificate of ownership is not required~~  
23 ~~for a snowmobile purchased prior to April 16, 1993, if use of the snowmobile is restricted to private land.~~

24        ~~(2) The owner of a snowmobile shall apply for a certificate of ownership with the county treasurer~~  
25 ~~of the county in which the owner resides, upon forms to be furnished for this purpose. The forms must~~  
26 ~~require the following information:~~

- 27        ~~(a) the name of the owner;~~  
28        ~~(b) the residence of the owner, by town and county;~~  
29        ~~(c) the business or home mailing address of the owner;~~  
30        ~~(d) the name and address of any lienholder;~~

- 1 ~~—— (e) the amount due under any contract or lien;~~  
2 ~~—— (f) the name of the manufacturer;~~  
3 ~~—— (g) the model number or name;~~  
4 ~~—— (h) the identification number; and~~  
5 ~~—— (i) the name and address of the dealer or other person from whom acquired.~~  
6 ~~—— (3) The application must be accompanied by documentation of ownership, such as an invoice,~~  
7 ~~notarized bill of sale from the immediately previous owner, foreign title, official certificate of snowmobile~~  
8 ~~number, or fee in lieu of tax receipt.~~  
9 ~~—— (4) The application must be signed by at least one owner or by a properly authorized officer or~~  
10 ~~representative of the owner.~~  
11 ~~—— (5) If a certificate of ownership has previously been issued under the provisions of 23-2-601~~  
12 ~~through 23-2-644, the application for a new certificate must be accompanied by the immediately previous~~  
13 ~~certificate. This subsection does not apply to snowmobiles that are purchased as new and unused~~  
14 ~~machines or that were operated when the provisions of 23-2-601 through 23-2-644 were not in force and~~  
15 ~~effect.~~  
16 ~~—— (6) Upon completion of the application, on forms furnished by the department of justice, the~~  
17 ~~county treasurer shall issue to the applicant two copies of the application, one of which must be marked~~  
18 ~~"file copy". The treasurer shall forward one copy and the original application to the department of justice,~~  
19 ~~which shall enter the information contained in the application upon the corresponding records of its office~~  
20 ~~and shall furnish the applicant with a certificate of ownership, which must contain that information in the~~  
21 ~~application considered necessary by the department of justice, and a permanent ownership number. The~~  
22 ~~certificate of ownership is not to be renewed annually and is valid as long as the person holding it owns~~  
23 ~~the snowmobile.~~  
24 ~~—— (7) The owner shall at all times retain possession of the certificate of ownership, except when it~~  
25 ~~is being transmitted to and from the department of justice for endorsement or cancellation.~~  
26 ~~—— (8) Upon application for a certificate of ownership, a fee of \$5 must be paid to the county~~  
27 ~~treasurer, \$3.50 of which must be forwarded by the county treasurer to the department of justice and~~  
28 ~~deposited in the general fund.~~  
29 ~~—— (9) The department of justice may not file a voluntary security interest or lien unless it is~~  
30 ~~accompanied by or specified in the application for a certificate of ownership of the snowmobile~~

1 encumbered. If the approved lien notice is transmitted to the department of justice, the security agreement  
2 or other lien instrument that creates the security interest must be retained by the secured party. A copy  
3 of the security agreement is sufficient as a lien notice if it contains the name and address of the debtor  
4 and the secured party, the complete snowmobile description, the amount of the lien, and the signature of  
5 the debtor. The department of justice shall file voluntary security interests and liens by entering the name  
6 and address of the secured party upon the face of the certificate of ownership. Involuntary liens must be  
7 filed against the record of the snowmobile encumbered. The department of justice shall mail a statement  
8 certifying the filing of a security interest or lien to the secured party. The department of justice shall mail  
9 the certificate of ownership to the owner at the address given on the certificate; however, if the transfer  
10 of ownership and filing of the security interest are paid for by a creditor or secured party, the department  
11 of justice shall return the certificate of ownership to the county treasurer of the county in which the  
12 snowmobile is to be registered. The owner of a snowmobile is the person entitled to operate and possess  
13 the snowmobile.

14 ~~——— (10) A security interest in a snowmobile held as inventory by a dealer must be perfected in~~  
15 ~~accordance with Title 30, chapter 9.~~

16 ~~——— (11) Whenever a security interest or lien is filed against a snowmobile that is subject to two~~  
17 ~~security interests previously perfected under this section, the department of justice shall endorse on the~~  
18 ~~face of the certificate of ownership: "NOTICE. This snowmobile is subject to additional security interest~~  
19 ~~on file with the Department of Justice". Other information regarding the additional security interests need~~  
20 ~~not be endorsed on the certificate.~~

21 ~~——— (12) Satisfactions or statements of release filed with the department of justice under this part must~~  
22 ~~be retained for a period of 8 years after receipt, after which they may be destroyed.~~

23 ~~——— (13) Except as provided in subsection (14), a voluntary security interest or lien is perfected on the~~  
24 ~~date the lien notice is delivered to the county treasurer. On that date, the county treasurer shall issue to~~  
25 ~~the secured party a receipt evidencing the perfection. Perfection under this section constitutes constructive~~  
26 ~~notice to subsequent purchasers or encumbrancers, from the date of delivery of the lien notice to the~~  
27 ~~county treasurer, of the existence of the security interest.~~

28 ~~——— (14) Voluntary security interests or lien filings that do not require transfer of ownership are~~  
29 ~~perfected on the date the lien notice and the certificate of ownership or manufacturer's statement of origin~~  
30 ~~are received by the department of justice. On that date, the department of justice shall issue to the~~

secured party a receipt evidencing the perfection. Perfection under this subsection constitutes constructive notice to subsequent purchasers or encumbrancers, from the date the lien notice is delivered to the department of justice, of the existence of the security interest.

~~———— (15) Upon default under a chattel mortgage or conditional sales contract covering a snowmobile, the mortgagee or vendor has the same remedies as in the case of other personal property. In case of attachment of a snowmobile, all the provisions of 27-18-413, 27-18-414, and 27-18-804 are applicable, except that deposits must be made with the department of justice.~~

~~———— (16) A conditional sales vendor or chattel mortgagee or assignee who fails to file a satisfaction of a chattel mortgage, assignment, or conditional sales contract within 15 days after receiving final payment is required to pay the department of justice the sum of \$1 for each day that the satisfaction is not filed.~~

~~———— (17) Upon receipt of notice of any involuntary liens or attachments against the record of any snowmobile registered in this state, the department of justice shall within 24 hours mail to the owner, conditional sales vendor, mortgagee, or their assignee a notice showing the name and address of the lien claimant, the amount of the lien, the date of execution of the lien, and, in the case of attachment, the full title of the court, the action, and the name of the attorney for the plaintiff or the name of the attaching creditor, or both.~~

~~———— (18) It is not necessary to refile with the department of justice any instruments on file in the office of the county clerk and recorder on October 1, 1989.~~

~~———— (19) A fee of \$4 must be paid to the department of justice to file any security interest or other lien against a snowmobile. The \$4 fee must cover the cost of filing a satisfaction or release of the security interest and the cost of entering the satisfaction or release on the records of the department of justice and deleting the endorsement of the security interest from the face of the certificate of ownership. A fee of \$4 must be paid to the department of justice for issuing a certified copy of a certificate of ownership subject to a security interest or other lien on file with the department of justice or for filing an assignment of a security interest or other lien on file with the department of justice. All fees provided for in this section must be paid to the county treasurer for deposit in the state general fund in accordance with 15-1-504."~~

**SECTION 133. SECTION 23-2-611, MCA, IS AMENDED TO READ:**

**"23-2-611. Certificate of ownership -- filing of security interests.** (1) A snowmobile may not be operated upon any private or public lands, trails, easements, lakes, rivers, streams, roadways or shoulders

1 of roadways, streets, or highways unless a certificate of ownership has first been obtained from the  
2 department of justice in accordance with the laws of this state. A certificate of ownership is not required  
3 for a snowmobile purchased prior to April 16, 1993, if use of the snowmobile is restricted to private land.

4 (2) The owner of a snowmobile shall apply for a certificate of ownership with the county treasurer  
5 of the county in which the owner resides, upon forms to be furnished for this purpose. The forms must  
6 require the following information:

7 (a) the name of the owner;

8 (b) the residence of the owner, by town and county;

9 (c) the business or home mailing address of the owner;

10 (d) the name and address of any lienholder;

11 (e) the amount due under any contract or lien;

12 (f) the name of the manufacturer;

13 (g) the model number or name;

14 (h) the identification number; and

15 (i) the name and address of the dealer or other person from whom acquired.

16 (3) The application must be accompanied by documentation of ownership, such as an invoice,  
17 notarized bill of sale from the immediately previous owner, foreign title, official certificate of snowmobile  
18 number, or fee in lieu of tax receipt.

19 (4) The application must be signed by at least one owner or by a properly authorized officer or  
20 representative of the owner.

21 (5) If a certificate of ownership has previously been issued under the provisions of 23-2-601  
22 through 23-2-644, the application for a new certificate must be accompanied by the immediately previous  
23 certificate. This subsection does not apply to snowmobiles that are purchased as new and unused  
24 machines or that were operated when the provisions of 23-2-601 through 23-2-644 were not in force and  
25 effect.

26 (6) Upon completion of the application, on forms furnished by the department of justice, the  
27 county treasurer shall issue to the applicant two copies of the application, one of which must be marked  
28 "file copy". The treasurer shall forward one copy and the original application to the department of justice,  
29 which shall enter the information contained in the application upon the corresponding records of its office  
30 and shall furnish the applicant with a certificate of ownership, which must contain that information in the

1 application considered necessary by the department of justice, and a permanent ownership number. The  
2 certificate of ownership is not to be renewed annually and is valid as long as the person holding it owns  
3 the snowmobile.

4 (7) The owner shall at all times retain possession of the certificate of ownership, except when it  
5 is being transmitted to and from the department of justice for endorsement or cancellation.

6 (8) Upon application for a certificate of ownership, a fee of \$5 must be paid to the county  
7 treasurer, ~~\$3.50~~ of which must be forwarded by the county treasurer to the department of justice and  
8 deposited in the general fund.

9 (9) The department of justice may not file a voluntary security interest or lien unless it is  
10 accompanied by or specified in the application for a certificate of ownership of the snowmobile  
11 encumbered. If the approved lien notice is transmitted to the department of justice, the security agreement  
12 or other lien instrument that creates the security interest must be retained by the secured party. A copy  
13 of the security agreement is sufficient as a lien notice if it contains the name and address of the debtor  
14 and the secured party, the complete snowmobile description, the amount of the lien, and the signature of  
15 the debtor. The department of justice shall file voluntary security interests and liens by entering the name  
16 and address of the secured party upon the face of the certificate of ownership. Involuntary liens must be  
17 filed against the record of the snowmobile encumbered. The department of justice shall mail a statement  
18 certifying the filing of a security interest or lien to the secured party. The department of justice shall mail  
19 the certificate of ownership to the owner at the address given on the certificate; however, if the transfer  
20 of ownership and filing of the security interest are paid for by a creditor or secured party, the department  
21 of justice shall return the certificate of ownership to the county treasurer of the county in which the  
22 snowmobile is to be registered. The owner of a snowmobile is the person entitled to operate and possess  
23 the snowmobile.

24 (10) A security interest in a snowmobile held as inventory by a dealer must be perfected in  
25 accordance with Title 30, chapter 9.

26 (11) Whenever a security interest or lien is filed against a snowmobile that is subject to two  
27 security interests previously perfected under this section, the department of justice shall endorse on the  
28 face of the certificate of ownership: "NOTICE. This snowmobile is subject to additional security interest  
29 on file with the Department of Justice". Other information regarding the additional security interests need  
30 not be endorsed on the certificate.



(12) Satisfaction or statements of release filed with the department of justice under this part must be retained for a period of 8 years after receipt, after which they may be destroyed.

(13) Except as provided in subsection (14), a voluntary security interest or lien is perfected on the date the lien notice is delivered to the county treasurer. On that date, the county treasurer shall issue to the secured party a receipt evidencing the perfection. Perfection under this section constitutes constructive notice to subsequent purchasers or encumbrancers, from the date of delivery of the lien notice to the county treasurer, of the existence of the security interest.

(14) Voluntary security interests or lien filings that do not require transfer of ownership are perfected on the date the lien notice and the certificate of ownership or manufacturer's statement of origin are received by the department of justice. On that date, the department of justice shall issue to the secured party a receipt evidencing the perfection. Perfection under this subsection constitutes constructive notice to subsequent purchasers or encumbrancers, from the date the lien notice is delivered to the department of justice, of the existence of the security interest.

(15) Upon default under a chattel mortgage or conditional sales contract covering a snowmobile, the mortgagee or vendor has the same remedies as in the case of other personal property. In case of attachment of a snowmobile, all the provisions of 27-18-413, 27-18-414, and 27-18-804 are applicable, except that deposits must be made with the department of justice.

(16) A conditional sales vendor or chattel mortgagee or assignee who fails to file a satisfaction of a chattel mortgage, assignment, or conditional sales contract within 15 days after receiving final payment is required to pay the department of justice the sum of \$1 for each day that the satisfaction is not filed.

(17) Upon receipt of notice of any involuntary liens or attachments against the record of any snowmobile registered in this state, the department of justice shall within 24 hours mail to the owner, conditional sales vendor, mortgagee, or their assignee a notice showing the name and address of the lien claimant, the amount of the lien, the date of execution of the lien, and, in the case of attachment, the full title of the court, the action, and the name of the attorney for the plaintiff or the name of the attaching creditor, or both.

(18) It is not necessary to refile with the department of justice any instruments on file in the office of the county clerk and recorder on October 1, 1989.

(19) A fee of \$4 must be paid to the department of justice to file any security interest or other lien against a snowmobile. The \$4 fee must cover the cost of filing a satisfaction or release of the security

1 interest and the cost of entering the satisfaction or release on the records of the department of justice and  
2 deleting the endorsement of the security interest from the face of the certificate of ownership. A fee of  
3 \$4 must be paid to the department of justice for issuing a certified copy of a certificate of ownership  
4 subject to a security interest or other lien on file with the department of justice or for filing an assignment  
5 of a security interest or other lien on file with the department of justice. All fees provided for in this section  
6 must be paid to the county treasurer for deposit in the state general fund in accordance with 15-1-504."

7  
8 ~~SECTION 135. SECTION 23-2-612, MCA, IS AMENDED TO READ:~~

9 ~~"23-2-612. Transfer of interest. (1) Except as provided in subsection (3), upon a transfer of any~~  
10 ~~certificate of ownership to a snowmobile registered as required under the provisions of 23-2-601 through~~  
11 ~~23-2-644, the person whose title or interest is to be transferred shall write his signature with pen and ink~~  
12 ~~upon sign the certificate of ownership issued for the snowmobile in the appropriate space provided upon~~  
13 ~~the reverse side of the certificate, and the signature shall must be acknowledged before the county~~  
14 ~~treasurer, a deputy county treasurer, or a notary public.~~

15 ~~(2) Within 20 calendar days after endorsement, the transferee shall make application for transfer~~  
16 ~~of the certificate of ownership with the county treasurer of the county in which the transferee resides and~~  
17 ~~also make application for registration of the snowmobile. The county treasurer shall forward the application~~  
18 ~~to the department of justice, which shall file the application upon receipt. A certificate of ownership may~~  
19 ~~not be issued by the department of justice until the outstanding certificates are surrendered to that office~~  
20 ~~or their loss is established to its the department's reasonable satisfaction. The county treasurer shall~~  
21 ~~collect a fee of \$5 for each application for transfer of ownership, of which \$3.50 must be forwarded to~~  
22 ~~the department of justice for deposit in the general fund.~~

23 ~~(3) A purchaser of a new or used snowmobile from a licensed snowmobile dealer has a grace~~  
24 ~~period of 20 calendar days from the date of purchase to register the snowmobile, make application for a~~  
25 ~~certificate of ownership, and obtain a decal indicating that the fee in lieu of property tax has been paid on~~  
26 ~~the snowmobile for the current year. It is not a violation of 23-2-601 through 23-2-644 or any other law~~  
27 ~~for the purchaser to operate a newly acquired snowmobile without a certificate of ownership, a certificate~~  
28 ~~of registration, and a decal during the 20-day period. During this period, the sticker provided for in~~  
29 ~~subsection (4) shall must remain affixed to the snowmobile.~~

30 ~~(4) Prior to the delivery of the snowmobile to the purchaser, the dealer shall issue and affix to the~~

~~snowmobile a sticker (in a form to be prescribed by the department of justice). The sticker shall contain the name and address of the purchaser, the date of sale, the name and address of the dealer, and a description of the snowmobile, including its serial number. The dealer shall keep a copy of the sticker for his the dealer's records and shall send a copy of the sticker to the department of justice.~~

~~———— (5) The provisions of subsection (2) do not apply in the event of the transfer of a snowmobile to a duly licensed snowmobile dealer who is intending to resell the snowmobile and who operates it only for demonstration purposes, but every a dealer, upon transferring his the dealer's interest, shall deliver the certificate of ownership with an application for a new certificate executed by the new owner in accordance with the provisions of 23-2-601 through 23-2-644. The department of justice, upon receipt of the certificate of ownership and application for a new certificate containing notice of a security interest, if any, shall issue a new certificate of ownership, together with a statement of any conditional sales contract, mortgage, or other lien.~~

~~———— (6) When the names and addresses of more than one owner who are members of the same immediate family are listed on the certificate of ownership, joint ownership with right of survivorship, and not as tenants in common, is presumed.~~

~~———— (7) The provisions of 61-3-201(3) through (7) that apply to motor vehicles also apply to any certificate of ownership transferred under this section."~~

**SECTION 134. SECTION 23-2-612, MCA, IS AMENDED TO READ:**

**"23-2-612. Transfer of interest.** (1) Except as provided in subsection (3), upon a transfer of any certificate of ownership to a snowmobile registered as required under the provisions of 23-2-601 through 23-2-644, the person whose title or interest is to be transferred shall ~~write his signature with pen and ink upon~~ sign the certificate of ownership issued for the snowmobile in the appropriate space provided upon the reverse side of the certificate, and the signature ~~shall~~ must be acknowledged before the county treasurer, a deputy county treasurer, or a notary public.

(2) Within 20 calendar days after endorsement, the transferee shall make application for transfer of the certificate of ownership with the county treasurer of the county in which the transferee resides and also make application for registration of the snowmobile. The county treasurer shall forward the application to the department of justice, which shall file the application upon receipt. A certificate of ownership may not be issued by the department of justice until the outstanding certificates are surrendered to that office

1 or their loss is established to ~~its~~ the department's reasonable satisfaction. The county treasurer shall  
2 collect a fee of \$5 for each application for transfer of ownership, ~~of which \$3.50~~ must be forwarded to  
3 the department of justice for deposit in the general fund.

4 (3) A purchaser of a new or used snowmobile from a licensed snowmobile dealer has a grace  
5 period of 20 calendar days from the date of purchase to register the snowmobile, make application for a  
6 certificate of ownership, and obtain a decal indicating that the fee in lieu of property tax has been paid on  
7 the snowmobile for the current year. It is not a violation of 23-2-601 through 23-2-644 or any other law  
8 for the purchaser to operate a newly acquired snowmobile without a certificate of ownership, a certificate  
9 of registration, and a decal during the 20-day period. During this period, the sticker provided for in  
10 subsection (4) ~~shall~~ must remain affixed to the snowmobile.

11 (4) Prior to the delivery of the snowmobile to the purchaser, the dealer shall issue and affix to the  
12 snowmobile a sticker (in a form to be prescribed by the department of justice). The sticker shall contain  
13 the name and address of the purchaser, the date of sale, the name and address of the dealer, and a  
14 description of the snowmobile, including its serial number. The dealer shall keep a copy of the sticker for  
15 ~~his~~ the dealer's records and shall send a copy of the sticker to the department of justice.

16 (5) The provisions of subsection (2) do not apply in the event of the transfer of a snowmobile to  
17 a ~~duly~~ licensed snowmobile dealer who is intending to resell the snowmobile and who operates it only for  
18 demonstration purposes, but ~~every~~ a dealer, upon transferring ~~his~~ the dealer's interest, shall deliver the  
19 certificate of ownership with an application for a new certificate executed by the new owner in accordance  
20 with the provisions of 23-2-601 through 23-2-644. The department of justice, upon receipt of the  
21 certificate of ownership and application for a new certificate containing notice of a security interest, if any,  
22 shall issue a new certificate of ownership, together with a statement of any conditional sales contract,  
23 mortgage, or other lien.

24 (6) When the names and addresses of more than one owner who are members of the same  
25 immediate family are listed on the certificate of ownership, joint ownership with right of survivorship, and  
26 not as tenants in common, is presumed.

27 (7) The provisions of 61-3-201(3) through (7) that apply to motor vehicles also apply to any  
28 certificate of ownership transferred under this section."

29

30 ~~SECTION 136. SECTION 23-2-615, MCA, IS AMENDED TO READ:~~

~~"23-2-615. Nonresident temporary-use permits -- use of fees. (1) The requirements pertaining to the nonresident temporary-snowmobile-use permit are as follows:~~

~~(a) Application for the issuance of the permit must be made at locations and upon forms prescribed by the department. The forms must include but are not limited to:~~

~~(i) the applicant's name and permanent address;~~

~~(ii) the make, model, year, and serial number of the snowmobile; and~~

~~(iii) an affidavit declaring the nonresidency of the applicant.~~

~~(b) Upon submission of the application and a fee of \$6, a nonresident temporary-snowmobile-use sticker must be issued. The sticker must be displayed in a conspicuous manner on the snowmobile.~~

~~(2) The temporary permit is valid for a consecutive 30-day period as designated by the permit.~~

~~(3) The permit is not proof of ownership, and a certificate of ownership may not be issued.~~

~~(4) A nonresident temporary-snowmobile-use permit is not required for a snowmobile that qualifies as a racing snowmobile under 23-2-622.~~

~~(5) All money collected by payment of fees under this section must be turned over transferred to the state treasurer and placed deposited in the state special revenue general fund to the credit of the department of fish, wildlife, and parks, with one-half to be used in administering this section and one-half to be used in the development, maintenance, and operation of snowmobile facilities.~~

~~(6) The failure to display the permit as required by this section or the making of false statements in obtaining the permit is a misdemeanor, punishable by a fine of not less than \$25 or more than \$100."~~

**SECTION 135. SECTION 23-2-615, MCA, IS AMENDED TO READ:**

**"23-2-615. Nonresident temporary-use permits -- use of fees. (1) The requirements pertaining to the nonresident temporary-snowmobile-use permit are as follows:**

**(a) Application for the issuance of the permit must be made at locations and upon forms prescribed by the department. The forms must include but are not limited to:**

**(i) the applicant's name and permanent address;**

**(ii) the make, model, year, and serial number of the snowmobile; and**

**(iii) an affidavit declaring the nonresidency of the applicant.**

**(b) Upon submission of the application and a fee of \$6, a nonresident temporary-snowmobile-use sticker must be issued. The sticker must be displayed in a conspicuous manner on the snowmobile.**

(2) The temporary permit is valid for a consecutive 30-day period as designated by the permit.

(3) The permit is not proof of ownership, and a certificate of ownership may not be issued.

(4) A nonresident temporary-snowmobile-use permit is not required for a snowmobile that qualifies as a racing snowmobile under 23-2-622.

(5) All money collected by payment of fees under this section must be ~~turned over~~ transferred to the state treasurer and ~~placed deposited~~ in the state ~~special revenue general~~ fund ~~to the credit of the department of fish, wildlife, and parks, with one-half to be used in administering this section and one-half to be used in the development, maintenance, and operation of snowmobile facilities.~~

(6) The failure to display the permit as required by this section or the making of false statements in obtaining the permit is a misdemeanor, punishable by a fine of not less than \$25 or more than \$100."

~~Section 137. Section 23-2-616, MCA, is amended to read:~~

~~"23-2-616. Registration and decals -- application and issuance -- use of certain fees. (1) Except for a snowmobile registered under 23-2-621, a snowmobile may not be operated on public lands by any person in Montana unless it has been registered and there is displayed in a conspicuous place on both sides of the cowl a decal as visual proof that the fee in lieu of property tax has been paid on it for the current year and the immediately previous year as required by 15-16-202.~~

~~(2) Application for registration must be made to the county treasurer upon forms to be furnished by the department of justice for this purpose, which may be obtained at the county treasurer's office in the county where the owner resides. The application shall contain the following information:~~

~~(a) the name and address of the owner;~~

~~(b) the certificate of ownership number;~~

~~(c) the make of the snowmobile;~~

~~(d) the model name of the snowmobile;~~

~~(e) the year of manufacture;~~

~~(f) a statement evidencing payment of the fee in lieu of property tax as required by 15-16-202;~~

~~and~~

~~(g) other information as the department of justice may require.~~

~~(3) The application must be accompanied by a decal DECAL REGISTRATION fee of \$5, a registration fee of 50 cents \$6 \$5, A REGISTRATION FEE OF 50 CENTS \$6.50, and, if the snowmobile has previously been~~

1 registered, by the registration certificate for the most recent year in which the snowmobile was registered.  
2 The treasurer shall sign the application and issue a registration receipt that must contain information  
3 considered necessary by the department of justice and a listing of fees paid. The owner shall retain  
4 possession of the registration receipt until it is surrendered to the county treasurer for reregistration or to  
5 a purchaser or subsequent owner pursuant to a transfer of ownership.

6 ~~——— (4) The county treasurer shall forward the signed application to the department of justice and shall  
7 issue to the applicant a decal in the style and design prescribed by the department of justice and of a  
8 different color than the preceding year, numbered in sequence.~~

9 ~~——— (5) The county treasurer may not accept any application under this section until the applicant has  
10 paid the decal DECAL REGISTRATION and registration fees fee and the fee in lieu of property tax on the  
11 snowmobile for the current year and the immediately previous year as required by 15-16-202.~~

12 ~~——— (6) All money collected from payment of the decal DECAL REGISTRATION fees and all interest  
13 accruing from use of this money must be forwarded to the state treasurer and placed in the state special  
14 revenue general fund to the credit of the department, with \$2.50 designated for use in enforcing the  
15 purposes of 23-2-601 through 23-2-644 and \$2.50 designated for use in the development, maintenance,  
16 and operation of snowmobile facilities. All money collected from payment of the registration fee must be  
17 forwarded to the state treasurer and deposited in the general fund.~~

18 ~~——— (7) The county treasurer shall credit all fees in lieu of tax collected on snowmobiles to the county  
19 motor vehicle suspense fund provided for in 61-3-509 STATE GENERAL FUND."~~

20  
21 **SECTION 136. SECTION 23-2-616, MCA, IS AMENDED TO READ:**

22 **"23-2-616. Registration and decals -- application and issuance -- use of certain fees.** (1) Except  
23 for a snowmobile registered under 23-2-621, a snowmobile may not be operated on public lands by any  
24 person in Montana unless it has been registered and there is displayed in a conspicuous place on both sides  
25 of the cowl a decal as visual proof that the fee in lieu of property tax has been paid on it for the current  
26 year and the immediately previous year as required by 15-16-202.

27 (2) Application for registration must be made to the county treasurer upon forms to be furnished  
28 by the department of justice for this purpose, which may be obtained at the county treasurer's office in  
29 the county where the owner resides. The application shall contain the following information:

30 (a) the name and address of the owner;

- 1 (b) the certificate of ownership number;
- 2 (c) the make of the snowmobile;
- 3 (d) the model name of the snowmobile;
- 4 (e) the year of manufacture;
- 5 (f) a statement evidencing payment of the fee in lieu of property tax as required by 15-16-202;
- 6 and
- 7 (g) other information as the department of justice may require.

8 (3) The application must be accompanied by a ~~decal~~ decal-registration fee of ~~\$5, a registration fee~~  
9 ~~of 50 cents~~ \$6.50, and, if the snowmobile has previously been registered, by the registration certificate  
10 for the most recent year in which the snowmobile was registered. The treasurer shall sign the application  
11 and issue a registration receipt that must contain information considered necessary by the department of  
12 justice and a listing of fees paid. The owner shall retain possession of the registration receipt until it is  
13 surrendered to the county treasurer for reregistration or to a purchaser or subsequent owner pursuant to  
14 a transfer of ownership.

15 (4) The county treasurer shall forward the signed application to the department of justice and shall  
16 issue to the applicant a decal in the style and design prescribed by the department of justice and of a  
17 different color than the preceding year, numbered in sequence.

18 (5) The county treasurer may not accept any application under this section until the applicant has  
19 paid the ~~decal~~ decal-registration ~~and registration fees~~ fee and the fee in lieu of property tax on the  
20 snowmobile for the current year and the immediately previous year as required by 15-16-202.

21 (6) All money collected from payment of ~~the decal~~ decal-registration fees and all interest accruing  
22 from use of this money must be forwarded to the state treasurer and placed in the state ~~special revenue~~  
23 general fund ~~to the credit of the department, with \$2.50 designated for use in enforcing the purposes of~~  
24 ~~23-2-601 through 23-2-644 and \$2.50 designated for use in the development, maintenance, and operation~~  
25 ~~of snowmobile facilities. All money collected from payment of the registration fee must be forwarded to~~  
26 ~~the state treasurer and deposited in the general fund.~~

27 (7) The county treasurer shall credit all fees in lieu of tax collected on snowmobiles to the ~~county~~  
28 ~~motor vehicle suspense fund provided for in 61-3-509~~ state general fund."

30 ~~Section 138. Section 23-2-803, MCA, is amended to read:~~



~~"23-2-803. Fee in lieu of tax on off-highway vehicles -- exception -- disposition of fees. (1) There is a fee in lieu of tax on off-highway vehicles, other than off-highway vehicles constituting the inventory of a dealership licensed under 23-2-818, to be paid to the county treasurer of the county in which the owner of the off-highway vehicle resides.~~

~~(a) The fee for an off-highway vehicle less than 3 years old is \$19. In all other cases the fee is \$9.~~

~~(b) Except as provided in subsection (1)(c), the age of an off-highway vehicle is determined by subtracting the manufacturer's designated model year from the current calendar year.~~

~~(c) If the purchase year of an off-highway vehicle precedes the designated model year of the off-highway vehicle and the off-highway vehicle is originally titled in Montana, then the purchase year is considered the model year for the purposes of calculating the fee in lieu of tax.~~

~~(2) (a) Except as provided in subsection (2)(b), the The county treasurer shall distribute transfer all fees in lieu of tax collected on off-highway vehicles pursuant to this section in the relative proportions required by the levies for state, county, school district, and municipal purposes in the same manner as personal property taxes are distributed to the state general fund.~~

~~(b) The county treasurer shall remit \$1 of the fee in lieu of tax collected on an off-highway vehicle to the department of agriculture for deposit in the noxious weed management trust fund provided for in 80-7-811."~~

**SECTION 137. SECTION 23-2-803, MCA, IS AMENDED TO READ:**

**"23-2-803. Fee in lieu of tax on off-highway vehicles -- exception -- disposition of fees. (1) There is a fee in lieu of tax on off-highway vehicles, other than off-highway vehicles constituting the inventory of a dealership licensed under 23-2-818, to be paid to the county treasurer of the county in which the owner of the off-highway vehicle resides.**

**(a) The fee for an off-highway vehicle less than 3 years old is \$19. In all other cases the fee is \$9.**

**(b) Except as provided in subsection (1)(c), the age of an off-highway vehicle is determined by subtracting the manufacturer's designated model year from the current calendar year.**

**(c) If the purchase year of an off-highway vehicle precedes the designated model year of the off-highway vehicle and the off-highway vehicle is originally titled in Montana, then the purchase year is**

1 considered the model year for the purposes of calculating the fee in lieu of tax.

2 (2) ~~(a) Except as provided in subsection (2)(b), the~~ The county treasurer shall ~~distribute transfer~~  
3 all fees in lieu of tax collected on off-highway vehicles pursuant to this section ~~in the relative proportions~~  
4 ~~required by the levies for state, county, school district, and municipal purposes in the same manner as~~  
5 ~~personal property taxes are distributed~~ to the state general fund.

6 ~~(b) The county treasurer shall remit \$1 of the fee in lieu of tax collected on an off-highway vehicle~~  
7 ~~to the department of agriculture for deposit in the noxious weed management trust fund provided for in~~  
8 ~~80-7-811."~~

9

10 ~~Section 139.~~ Section 23-2-804, MCA, is amended to read:

11 ~~"23-2-804. Decal required -- fee -- disposition.~~ (1) Except as provided in 23-2-802, an off-highway  
12 vehicle may not be operated by any person for off-road recreation on public lands in Montana unless there  
13 is displayed in a conspicuous place a decal, in a form prescribed by the department of justice and issued  
14 by the county treasurer, as visual proof that the following fees have been paid for the current year:

15 ~~—— (a) (i) the fee in lieu of tax provided for in 23-2-803; and~~

16 ~~—— (ii) the registration fee provided for in 23-2-817 61-3-321; or~~

17 ~~—— (b) when the vehicle will be used as provided in this section, the registration and taxation fees for~~  
18 ~~motorcycles and quadricycles subject to licensure under 61-3-321, as evidenced by presentation of an~~  
19 ~~owner's certificate of registration and payment receipt; and~~

20 ~~—— (c) the off-highway decal fee provided for in this section.~~

21 ~~—— (2) The decal will be serially numbered and have the expiration date of December 31 of the~~  
22 ~~appropriate year printed thereon.~~

23 ~~—— (3) The off-highway decal fee is \$5, which the county treasurer shall collect and transmit to the~~  
24 ~~state treasurer, who shall deposit the money in an interest-bearing account in the state special revenue~~  
25 ~~fund to the credit of the department of fish, wildlife, and parks the state general fund. The decal fee and~~  
26 ~~the interest and income to the account must be spent as follows:~~

27 ~~—— (a) 40% must be used to enforce the provisions of this section; and~~

28 ~~—— (b) 60% must be spent to develop and implement a comprehensive program and to plan~~  
29 ~~appropriate off-highway vehicle recreation use except that:~~

30 ~~—— (i) no money may be spent for this purpose before January 1, 1991; and~~

~~————(ii) evaluation for development of a program plan must begin January 1, 1991."~~

**SECTION 138. SECTION 23-2-804, MCA, IS AMENDED TO READ:**

**"23-2-804. Decal required ~~--fee--~~disposition.** (1) Except as provided in 23-2-802, an off-highway vehicle may not be operated by any person for off-road recreation on public lands in Montana unless there is displayed in a conspicuous place a decal, in a form prescribed by the department of justice and issued by the county treasurer, as visual proof that the following fees have been paid for the current year:

(a) (i) the fee in lieu of tax provided for in 23-2-803; and

(ii) the registration fee provided for in ~~23-2-817~~ 61-3-321; or

(b) when the vehicle will be used as provided in this section, the registration and taxation fees for motorcycles and quadricycles subject to licensure under 61-3-321, as evidenced by presentation of an owner's certificate of registration and payment receipt; ~~and~~

~~————(c) the off-highway decal fee provided for in this section.~~

(2) The decal will be serially numbered and have the expiration date of December 31 of the appropriate year printed thereon.

~~————(3) The off-highway decal fee is \$5, which the county treasurer shall collect and transmit to the state treasurer, who shall deposit the money in an interest-bearing account in the state special revenue fund to the credit of the department of fish, wildlife, and parks. The decal fee and the interest and income to the account must be spent as follows:~~

~~————(a) 40% must be used to enforce the provisions of this section; and~~

~~————(b) 60% must be spent to develop and implement a comprehensive program and to plan appropriate off-highway vehicle recreation use except that:~~

~~————(i) no money may be spent for this purpose before January 1, 1991; and~~

~~————(ii) evaluation for development of a program plan must begin January 1, 1991."~~

**SECTION 140. SECTION 23-2-811, MCA, IS AMENDED TO READ:**

**~~"23-2-811. Certificate of ownership ~~-- procedure --~~ fee ~~-- filing security interest.~~~~** (1) An off-highway vehicle may not be operated upon any public lands, trails, easements, lakes, rivers, or streams unless a certificate of ownership has first been obtained from the department of justice.

~~————(2) The owner of an off-highway vehicle shall apply for a certificate of ownership to the county~~

1 ~~treasurer of the county in which the owner resides, on a form furnished by the department of justice for~~  
2 ~~that purpose. The form must include:~~  
3 ~~—— (a) the name of the owner;~~  
4 ~~—— (b) the residence of the owner, by town and county;~~  
5 ~~—— (c) the business address or home mailing address of the owner;~~  
6 ~~—— (d) the name and address of any lienholder;~~  
7 ~~—— (e) the amount due under any contract, mortgage, or lien;~~  
8 ~~—— (f) the name of the manufacturer;~~  
9 ~~—— (g) the model number or name;~~  
10 ~~—— (h) the identification number; and~~  
11 ~~—— (i) the name and address of the dealer or other person from whom the off-highway vehicle was~~  
12 ~~acquired.~~  
13 ~~—— (3) The application must be signed by at least one owner or by a properly authorized agent of the~~  
14 ~~owner.~~  
15 ~~—— (4) The application for a new certificate of ownership must be accompanied by the immediately~~  
16 ~~previous certificate. This subsection does not apply to off-highway vehicles that are purchased as new and~~  
17 ~~unused machines or that were operated before January 1, 1990.~~  
18 ~~—— (5) (a) After the owner completes the application form, the county treasurer shall issue to the~~  
19 ~~applicant two copies of the completed application, with one marked "file copy", and shall forward one~~  
20 ~~copy and the original application to the department of justice. The department of justice shall enter the~~  
21 ~~information contained in the application upon the corresponding records of its office and shall send the~~  
22 ~~applicant a certificate of ownership containing a permanent ownership number and information from the~~  
23 ~~application considered necessary by the department of justice.~~  
24 ~~—— (b) The certificate of ownership is not required to be renewed annually and is valid as long as the~~  
25 ~~person holding it owns the off-highway vehicle.~~  
26 ~~—— (6) The owner shall at all times retain possession of the certificate of ownership, except when it~~  
27 ~~is being transmitted to and from the department of justice for endorsement or cancellation.~~  
28 ~~—— (7) Upon application for a certificate of ownership, a fee of \$5 must be paid to the county~~  
29 ~~treasurer, of which:~~  
30 ~~—— (a) \$3.50 must be forwarded to the department of justice for deposit in the general fund; and~~

1 ~~—— (b) \$1.50 must be retained by the county treasurer for the cost of administering this section.~~

2 ~~—— (8) The department of justice may not file a voluntary security interest or lien unless it is~~  
3 ~~accompanied by or specified in the application for a certificate of ownership of the encumbered~~  
4 ~~off-highway vehicle. If the approved lien notice is transmitted to the department of justice, the security~~  
5 ~~agreement or other lien instrument that creates the security interest must be retained by the secured party.~~  
6 ~~A copy of the security agreement is sufficient as a lien notice if it contains the name and address of the~~  
7 ~~debtor and the secured party, a complete description of the off-highway vehicle, the amount of the lien,~~  
8 ~~and the signature of the debtor. The department of justice shall file voluntary security interests and liens~~  
9 ~~by entering the name and address of the secured party upon the face of the certificate of ownership.~~  
10 ~~Involuntary liens must be filed against the record of the off-highway vehicle encumbered. The department~~  
11 ~~of justice shall mail a statement certifying the filing of a security interest or lien to the secured party. The~~  
12 ~~department of justice shall mail the certificate of ownership to the owner at the address given on the~~  
13 ~~certificate. However, if the transfer of ownership and filing of the security interest are paid for by a~~  
14 ~~creditor or secured party, the department of justice shall return the certificate of ownership to the county~~  
15 ~~treasurer of the county where the vehicle is to be registered. The owner of an off-highway vehicle is the~~  
16 ~~person entitled to operate and possess the vehicle.~~

17 ~~—— (9) A security interest in an off-highway vehicle held as inventory by a dealer must be perfected~~  
18 ~~in accordance with Title 30, chapter 9.~~

19 ~~—— (10) Whenever a security interest or lien is filed against an off-highway vehicle that is subject to~~  
20 ~~two or more security interests previously perfected under this section, the department of justice shall~~  
21 ~~endorse on the face of the certificate of ownership: "Notice. This off-highway vehicle is subject to~~  
22 ~~additional security interests on file with the Department of Justice." Other information regarding the~~  
23 ~~additional security interests need not be endorsed on the certificate.~~

24 ~~—— (11) Satisfaction or statements of release filed with the department of justice under this section~~  
25 ~~must be retained for a period of 8 years from the date of receipt, after which they may be destroyed.~~

26 ~~—— (12) Except as provided in subsection (13), a voluntary security interest or lien is perfected on the~~  
27 ~~date the lien notice is delivered to the county treasurer. On that date, the county treasurer shall issue to~~  
28 ~~the secured party a receipt evidencing the perfection. Perfection under this section constitutes constructive~~  
29 ~~notice to subsequent purchasers or encumbrancers, from the date of delivery of the lien notice to the~~  
30 ~~county treasurer, of the existence of the security interest.~~

~~———— (13) Voluntary security interests or lien filings that do not require transfer of ownership are perfected on the date the lien notice and the certificate of ownership or manufacturer's statement of origin are received by the department of justice. On that date, the department shall issue to the secured party a receipt evidencing the perfection. Perfection under this subsection constitutes constructive notice to subsequent purchasers or encumbrancers, from the date the lien notice is delivered to the department, of the existence of the security interest.~~

~~———— (14) Upon default under a chattel mortgage or conditional sales contract covering an off-highway vehicle, the mortgagee or vendor has the same remedies as in the case of other personal property. In the case of attachment of an off-highway vehicle, the provisions of 27-18-413, 27-18-414, and 27-18-804 are applicable, except that deposits must be made with the department of justice.~~

~~———— (15) A conditional sales vendor, chattel mortgagee, or assignee who fails to file a satisfaction of a chattel mortgage, assignment, or conditional sale contract within 15 days after receiving final payment shall pay to the department of justice the sum of \$1 for each day after the expiration of the 15-day period that the person fails to file the satisfaction.~~

~~———— (16) Upon receipt of notice of any involuntary liens or attachments against the record of an off-highway vehicle in this state, the department of justice shall within 24 hours mail to the owner, conditional sales vendor, mortgagee, or their assignee a notice of the lien, showing the date of execution of the lien and, in the case of attachment, the full title of the court, the action, and the name of the attorney for the plaintiff or the name of the attaching creditor, or both.~~

~~———— (17) It is not necessary to refile with the department of justice instruments on file in the offices of the county clerk and recorders at the time this law takes effect.~~

~~———— (18) A fee of \$4 must be paid to the department of justice to file a security interest or other lien against an off-highway vehicle. The \$4 fee includes and covers the cost of filing a satisfaction or release of the security interest and also the cost of entering the satisfaction or release on the records of the department of justice and deleting the endorsement of the security interest from the face of the certificate of ownership. A fee of \$4 must be paid to the department of justice for issuing a certified copy of a certificate of ownership subject to a security interest or other lien on file in the office of the department of justice or for filing an assignment of a security interest or other lien on file with the department of justice. All fees provided for in this section must be paid to the county treasurer for deposit in the state general fund in accordance with 15-1-504."~~

**SECTION 139. SECTION 23-2-811, MCA, IS AMENDED TO READ:**

**"23-2-811. Certificate of ownership -- procedure -- fee -- filing security interest.** (1) An off-highway vehicle may not be operated upon any public lands, trails, easements, lakes, rivers, or streams unless a certificate of ownership has first been obtained from the department of justice.

(2) The owner of an off-highway vehicle shall apply for a certificate of ownership to the county treasurer of the county in which the owner resides, on a form furnished by the department of justice for that purpose. The form must include:

- (a) the name of the owner;
- (b) the residence of the owner, by town and county;
- (c) the business address or home mailing address of the owner;
- (d) the name and address of any lienholder;
- (e) the amount due under any contract, mortgage, or lien;
- (f) the name of the manufacturer;
- (g) the model number or name;
- (h) the identification number; and
- (i) the name and address of the dealer or other person from whom the off-highway vehicle was acquired.

(3) The application must be signed by at least one owner or by a properly authorized agent of the owner.

(4) The application for a new certificate of ownership must be accompanied by the immediately previous certificate. This subsection does not apply to off-highway vehicles that are purchased as new and unused machines or that were operated before January 1, 1990.

(5) (a) After the owner completes the application form, the county treasurer shall issue to the applicant two copies of the completed application, with one marked "file copy", and shall forward one copy and the original application to the department of justice. The department of justice shall enter the information contained in the application upon the corresponding records of its office and shall send the applicant a certificate of ownership containing a permanent ownership number and information from the application considered necessary by the department of justice.

(b) The certificate of ownership is not required to be renewed annually and is valid as long as the

1 person holding it owns the off-highway vehicle.

2 (6) The owner shall at all times retain possession of the certificate of ownership, except when it  
3 is being transmitted to and from the department of justice for endorsement or cancellation.

4 (7) Upon application for a certificate of ownership, a fee of \$5 must be paid to the county  
5 treasurer, of which:

6 ~~(a) \$3.50 must be forwarded to the department of justice for deposit in the general fund, and~~

7 ~~— (b) \$1.50 must be retained by the county treasurer for the cost of administering this section.~~

8 (8) The department of justice may not file a voluntary security interest or lien unless it is  
9 accompanied by or specified in the application for a certificate of ownership of the encumbered  
10 off-highway vehicle. If the approved lien notice is transmitted to the department of justice, the security  
11 agreement or other lien instrument that creates the security interest must be retained by the secured party.  
12 A copy of the security agreement is sufficient as a lien notice if it contains the name and address of the  
13 debtor and the secured party, a complete description of the off-highway vehicle, the amount of the lien,  
14 and the signature of the debtor. The department of justice shall file voluntary security interests and liens  
15 by entering the name and address of the secured party upon the face of the certificate of ownership.  
16 Involuntary liens must be filed against the record of the off-highway vehicle encumbered. The department  
17 of justice shall mail a statement certifying the filing of a security interest or lien to the secured party. The  
18 department of justice shall mail the certificate of ownership to the owner at the address given on the  
19 certificate. However, if the transfer of ownership and filing of the security interest are paid for by a  
20 creditor or secured party, the department of justice shall return the certificate of ownership to the county  
21 treasurer of the county where the vehicle is to be registered. The owner of an off-highway vehicle is the  
22 person entitled to operate and possess the vehicle.

23 (9) A security interest in an off-highway vehicle held as inventory by a dealer must be perfected  
24 in accordance with Title 30, chapter 9.

25 (10) Whenever a security interest or lien is filed against an off-highway vehicle that is subject to  
26 two or more security interests previously perfected under this section, the department of justice shall  
27 endorse on the face of the certificate of ownership: "Notice. This off-highway vehicle is subject to  
28 additional security interests on file with the Department of Justice." Other information regarding the  
29 additional security interests need not be endorsed on the certificate.

30 (11) Satisfaction or statements of release filed with the department of justice under this section



1 must be retained for a period of 8 years from the date of receipt, after which they may be destroyed.

2 (12) Except as provided in subsection (13), a voluntary security interest or lien is perfected on the  
3 date the lien notice is delivered to the county treasurer. On that date, the county treasurer shall issue to  
4 the secured party a receipt evidencing the perfection. Perfection under this section constitutes constructive  
5 notice to subsequent purchasers or encumbrancers, from the date of delivery of the lien notice to the  
6 county treasurer, of the existence of the security interest.

7 (13) Voluntary security interests or lien filings that do not require transfer of ownership are  
8 perfected on the date the lien notice and the certificate of ownership or manufacturer's statement of origin  
9 are received by the department of justice. On that date, the department shall issue to the secured party  
10 a receipt evidencing the perfection. Perfection under this subsection constitutes constructive notice to  
11 subsequent purchasers or encumbrancers, from the date the lien notice is delivered to the department, of  
12 the existence of the security interest.

13 (14) Upon default under a chattel mortgage or conditional sales contract covering an off-highway  
14 vehicle, the mortgagee or vendor has the same remedies as in the case of other personal property. In the  
15 case of attachment of an off-highway vehicle, the provisions of 27-18-413, 27-18-414, and 27-18-804  
16 are applicable, except that deposits must be made with the department of justice.

17 (15) A conditional sales vendor, chattel mortgagee, or assignee who fails to file a satisfaction of  
18 a chattel mortgage, assignment, or conditional sale contract within 15 days after receiving final payment  
19 shall pay to the department of justice the sum of \$1 for each day after the expiration of the 15-day period  
20 that the person fails to file the satisfaction.

21 (16) Upon receipt of notice of any involuntary liens or attachments against the record of an  
22 off-highway vehicle in this state, the department of justice shall within 24 hours mail to the owner,  
23 conditional sales vendor, mortgagee, or their assignee a notice of the lien, showing the date of execution  
24 of the lien and, in the case of attachment, the full title of the court, the action, and the name of the  
25 attorney for the plaintiff or the name of the attaching creditor, or both.

26 (17) It is not necessary to refile with the department of justice instruments on file in the offices  
27 of the county clerk and recorders at the time this law takes effect.

28 (18) A fee of \$4 must be paid to the department of justice to file a security interest or other lien  
29 against an off-highway vehicle. The \$4 fee includes and covers the cost of filing a satisfaction or release  
30 of the security interest and also the cost of entering the satisfaction or release on the records of the

department of justice and deleting the endorsement of the security interest from the face of the certificate of ownership. A fee of \$4 must be paid to the department of justice for issuing a certified copy of a certificate of ownership subject to a security interest or other lien on file in the office of the department of justice or for filing an assignment of a security interest or other lien on file with the department of justice. All fees provided for in this section must be paid to the county treasurer for deposit in the state general fund in accordance with 15-1-504."

~~SECTION 141. SECTION 23-2-812, MCA, IS AMENDED TO READ:~~

~~"23-2-812. Transfer of interest. (1) To transfer a certificate of ownership for an off-highway vehicle registered under 23-2-817, the person whose title or interest is to be transferred shall endorse the certificate of ownership in the appropriate space on the reverse side of the certificate and must have the signature acknowledged before a notary public.~~

~~(2) (a) Within 20 calendar days after the date of notarization, the transferee shall apply to the county treasurer of the county in which the transferee resides for:~~

~~(i) transfer of the endorsed certificate of ownership;~~

~~(ii) registration of the off-highway vehicle; and~~

~~(iii) issuance of a decal as required by 23-2-804.~~

~~(b) The county treasurer shall forward the application and the original certificate of ownership to the department of justice, which shall file the application upon receipt.~~

~~(c) A certificate of ownership may not be issued by the department until the outstanding certificates are surrendered to that office or their loss is established.~~

~~(d) The county treasurer shall collect a fee of \$5 for each application for transfer of ownership, of which:~~

~~(i) \$3.50 must be forwarded to the department of justice for deposit in the general fund; and~~

~~(ii) \$1.50 must be retained by the county treasurer for the cost of administering this section.~~

~~(3) To effect by operation of law a transfer of interest in an off-highway vehicle, the provisions of 61-3-201(3) are applicable.~~

~~(4) (a) A person who purchases a new or used off-highway vehicle from an off-highway vehicle dealer licensed under 23-2-818 shall, within 20 calendar days after the purchase date, apply to the county treasurer of the county in which the person resides for:~~

1 ~~—— (i) a certificate of ownership;~~  
2 ~~—— (ii) registration of the off-highway vehicle; and~~  
3 ~~—— (iii) a decal as required by 23-2-804.~~  
4 ~~—— (b) During this period, the sticker provided for in subsection (6) must remain affixed to the~~  
5 ~~off-highway vehicle.~~  
6 ~~—— (5) It is not a violation of this part for a purchaser to operate a newly acquired off-highway vehicle~~  
7 ~~without a certificate of ownership, a certificate of registration, and a decal during the first 20 days of~~  
8 ~~ownership.~~  
9 ~~—— (6) Prior to the delivery of the off-highway vehicle to the purchaser, the dealer shall issue and affix~~  
10 ~~to the off-highway vehicle a sticker, in a form to be prescribed by the department of justice, containing~~  
11 ~~the name and address of the purchaser, the date of sale, the name and address of the dealer, and a~~  
12 ~~description of the off-highway vehicle, including its identification number. The dealer shall keep a copy of~~  
13 ~~the sticker for the dealer's records and shall send a copy of the sticker to the department of justice.~~  
14 ~~—— (7) The provisions of subsection (2) do not apply to the transfer of an off-highway vehicle to an~~  
15 ~~off-highway vehicle dealer licensed under 23-2-818 who intends to resell the vehicle and who operates~~  
16 ~~it only for demonstration purposes. Every dealer, upon a transfer of interest, shall deliver the certificate~~  
17 ~~of ownership with an application for a new certificate executed by the new owner in accordance with the~~  
18 ~~provisions of this part. The department of justice, upon receipt of the certificate of ownership and~~  
19 ~~application for a new certificate, together with the conditional sales contract or other lien, if any, shall~~  
20 ~~issue a new certificate of ownership showing the name of the lienholder and the amount due under the~~  
21 ~~contract, mortgage, or lien as required by 23-2-811(2)(d) and (2)(e)."~~

22

23 **SECTION 140. SECTION 23-2-812, MCA, IS AMENDED TO READ:**

24 **"23-2-812. Transfer of interest.** (1) To transfer a certificate of ownership for an off-highway  
25 vehicle registered under 23-2-817, the person whose title or interest is to be transferred shall endorse the  
26 certificate of ownership in the appropriate space on the reverse side of the certificate and must have the  
27 signature acknowledged before a notary public.

28 (2) (a) Within 20 calendar days after the date of notarization, the transferee shall apply to the  
29 county treasurer of the county in which the transferee resides for:

30 (i) transfer of the endorsed certificate of ownership;

1 (ii) registration of the off-highway vehicle; and

2 (iii) issuance of a decal as required by 23-2-804.

3 (b) The county treasurer shall forward the application and the original certificate of ownership to  
4 the department of justice, which shall file the application upon receipt.

5 (c) A certificate of ownership may not be issued by the department until the outstanding  
6 certificates are surrendered to that office or their loss is established.

7 (d) The county treasurer shall collect a fee of \$5 for each application for transfer of ownership,  
8 of which:

9 ~~(i) \$3.50 must be forwarded to the department of justice for deposit in the general fund; and~~

10 ~~—— (ii) \$1.50 must be retained by the county treasurer for the cost of administering this section.~~

11 (3) To effect by operation of law a transfer of interest in an off-highway vehicle, the provisions  
12 of 61-3-201(3) are applicable.

13 (4) (a) A person who purchases a new or used off-highway vehicle from an off-highway vehicle  
14 dealer licensed under 23-2-818 shall, within 20 calendar days after the purchase date, apply to the county  
15 treasurer of the county in which the person resides for:

16 (i) a certificate of ownership;

17 (ii) registration of the off-highway vehicle; and

18 (iii) a decal as required by 23-2-804.

19 (b) During this period, the sticker provided for in subsection (6) must remain affixed to the  
20 off-highway vehicle.

21 (5) It is not a violation of this part for a purchaser to operate a newly acquired off-highway vehicle  
22 without a certificate of ownership, a certificate of registration, and a decal during the first 20 days of  
23 ownership.

24 (6) Prior to the delivery of the off-highway vehicle to the purchaser, the dealer shall issue and affix  
25 to the off-highway vehicle a sticker, in a form to be prescribed by the department of justice, containing  
26 the name and address of the purchaser, the date of sale, the name and address of the dealer, and a  
27 description of the off-highway vehicle, including its identification number. The dealer shall keep a copy of  
28 the sticker for the dealer's records and shall send a copy of the sticker to the department of justice.

29 (7) The provisions of subsection (2) do not apply to the transfer of an off-highway vehicle to an  
30 off-highway vehicle dealer licensed under 23-2-818 who intends to resell the vehicle and who operates

1 it only for demonstration purposes. Every dealer, upon a transfer of interest, shall deliver the certificate  
2 of ownership with an application for a new certificate executed by the new owner in accordance with the  
3 provisions of this part. The department of justice, upon receipt of the certificate of ownership and  
4 application for a new certificate, together with the conditional sales contract or other lien, if any, shall  
5 issue a new certificate of ownership showing the name of the lienholder and the amount due under the  
6 contract, mortgage, or lien as required by 23-2-811(2)(d) and (2)(e)."

7  
8 ~~Section 142.~~ Section 23-2-814, MCA, is amended to read:

9 ~~"23-2-814. Nonresident temporary-use permits -- use of fees. (1) An off-highway vehicle that is~~  
10 ~~owned by a nonresident and that is not registered in another state of the United States or in another~~  
11 ~~country may not be operated by a person in Montana unless a nonresident temporary-use permit is~~  
12 ~~obtained.~~

13 ~~(2) The requirements pertaining to a nonresident temporary-use permit for an off-highway vehicle~~  
14 ~~are as follows:~~

15 ~~(a) Application for the issuance of the permit must be made at locations and upon forms~~  
16 ~~prescribed by the department of fish, wildlife, and parks. The forms must include but are not limited to:~~

17 ~~(i) the applicant's name and permanent address;~~

18 ~~(ii) the make, model, year, and serial number of the off-highway vehicle; and~~

19 ~~(iii) an affidavit declaring the nonresidency of the applicant.~~

20 ~~(b) Upon submission of the application and a fee of \$5, a nonresident off-highway vehicle~~  
21 ~~temporary-use sticker must be issued. The sticker must be displayed in a conspicuous manner on the~~  
22 ~~off-highway vehicle. The sticker is the temporary-use permit.~~

23 ~~(3) The temporary-use permit is valid for the calendar year designated on the permit.~~

24 ~~(4) The permit is not proof of ownership, and a certificate of ownership may not be issued.~~

25 ~~(5) All money collected by payment of fees under this section must be transmitted to the state~~  
26 ~~treasurer, who shall deposit the money in the account created under 23-2-804(3) state general fund. The~~  
27 ~~money collected by payment of fees under this section must be spent as follows:~~

28 ~~(a) 40% to be used in administering this section; and~~

29 ~~(b) 60% to be used to plan, develop, and implement a comprehensive program for appropriate~~  
30 ~~off-highway vehicle recreation use.~~

~~———— (6) Failure to display the permit as required by this section or making false statements in obtaining the permit is a misdemeanor and is punishable by a fine of not less than \$25 or more than \$100. All fines collected under this section must be transmitted to the state treasurer, who shall deposit the money in the account created under 23-2-804(3) state general fund. Fifty percent of this money and the interest earned on it must be used for off-highway vehicle safety and education. The remaining 50% of the money and the interest earned on it must be used for enforcement."~~

**SECTION 141. SECTION 23-2-814, MCA, IS AMENDED TO READ:**

**"23-2-814. Nonresident temporary-use permits ~~--use of fees.~~** (1) An off-highway vehicle that is owned by a nonresident and that is not registered in another state of the United States or in another country may not be operated by a person in Montana unless a nonresident temporary-use permit is obtained.

(2) The requirements pertaining to a nonresident temporary-use permit for an off-highway vehicle are as follows:

(a) Application for the issuance of the permit must be made at locations and upon forms prescribed by the department of fish, wildlife, and parks. The forms must include but are not limited to:

- (i) the applicant's name and permanent address;
- (ii) the make, model, year, and serial number of the off-highway vehicle; and
- (iii) an affidavit declaring the nonresidency of the applicant.

(b) Upon submission of the application and a fee of \$5, a nonresident off-highway vehicle temporary-use sticker must be issued. The sticker must be displayed in a conspicuous manner on the off-highway vehicle. The sticker is the temporary-use permit.

(3) The temporary-use permit is valid for the calendar year designated on the permit.

(4) The permit is not proof of ownership, and a certificate of ownership may not be issued.

(5) All money collected by payment of fees under this section must be transmitted to the state treasurer, who shall deposit the money in the ~~account created under 23-2-804(3) state general fund.~~ ~~The money collected by payment of fees under this section must be spent as follows:~~

- ~~———— (a) 40% to be used in administering this section; and~~
- ~~———— (b) 60% to be used to plan, develop, and implement a comprehensive program for appropriate off-highway vehicle recreation use.~~

(6) Failure to display the permit as required by this section or making false statements in obtaining the permit is a misdemeanor and is punishable by a fine of not less than \$25 or more than \$100. All fines collected under this section must be transmitted to the state treasurer, who shall deposit the money in the account created under 23-2-804(3) state general fund. Fifty percent of this money and the interest earned on it must be used for off-highway vehicle safety and education. The remaining 50% of the money and the interest earned on it must be used for enforcement."

~~Section 159.~~ Section 23-2-817, MCA, is amended to read:

~~"23-2-817. Registration fee -- application and issuance -- disposition.~~ (1) Each off-highway vehicle is subject to an annual registration fee of \$2 ~~\$6~~.

~~(2) The county treasurer shall collect the annual fee when the fee in lieu of tax is collected.~~

~~(3) Application for registration must be made to the county treasurer of the county in which the owner resides, on a form furnished by the department of justice for that purpose. The application must contain:~~

~~(a) the name and home mailing address of the owner;~~

~~(b) the certificate of ownership number;~~

~~(c) the name of the manufacturer of the off-highway vehicle;~~

~~(d) the model number or name;~~

~~(e) the year of manufacture;~~

~~(f) a statement evidencing payment of the fee in lieu of property tax; and~~

~~(g) such other information as that the department of justice may require.~~

~~(4) If the off-highway vehicle was previously registered, the application must be accompanied by the registration certificate for the most recent year in which it was registered. Upon payment of the registration fee, the county treasurer shall sign the application and issue a registration receipt, which must contain the information considered necessary by the department of justice and a listing of the fees paid. The owner shall retain possession of the registration receipt until it is surrendered to the county treasurer for reregistration or to a purchaser or subsequent owner pursuant to a transfer of ownership.~~

~~(5) All registration fees collected must be forwarded to the department of justice and deposited in the general fund."~~

1 ~~Section 143.~~ Section 23-2-818, MCA, is amended to read:

2 ~~"23-2-818. Dealer registration certificate -- use of fees.~~ (1) (a) Unless the dealer is licensed under  
3 the provisions of 61-4-101, a dealer may not sell off-highway vehicles unless the dealer has first obtained  
4 a dealer registration certificate from the department of justice under the provisions of this section.

5 ~~(b) To qualify as a dealer the applicant, when registering or renewing a registration, shall:~~

6 ~~(i) complete an application:~~

7 ~~(A) stating the name under which the business is to be conducted and the location of the premises~~  
8 ~~(street address, city, county, and state) where records are kept, sales are made, and stock is displayed;~~

9 ~~(B) stating the name, address, date of birth, and social security number of all owners or persons~~  
10 ~~having an interest in the business, provided that in the case of a corporation, the names and addresses~~  
11 ~~of the president and secretary are sufficient;~~

12 ~~(C) identifying other dealerships owned by the applicant, identifying all persons in Montana or in~~  
13 ~~another state having an interest in another dealership owned by the applicant, and disclosing whether the~~  
14 ~~applicant or any other person with interest in a dealership owned by the applicant has been convicted of~~  
15 ~~a felony; and~~

16 ~~(D) stating the name and make of all off-highway vehicles handled and the name and address of~~  
17 ~~the manufacturer, importer, or distributor with whom the applicant has a written franchise or sales~~  
18 ~~agreement;~~

19 ~~(ii) provide an affidavit certifying that the applicant has acquired and shall maintain liability~~  
20 ~~insurance for any off-highway vehicle offered for demonstration or loan to a customer;~~

21 ~~(iii) execute a certificate to the effect that the applicant has a permanent building for the display~~  
22 ~~and sale of off-highway vehicles at the location of the premises where sales are conducted;~~

23 ~~(iv) execute a certificate to the effect that the applicant has a bona fide service department for the~~  
24 ~~repair, service, and maintenance of off-highway vehicles; and~~

25 ~~(v) execute a certificate to the effect that the applicant is a bona fide dealer in off-highway~~  
26 ~~vehicles and that the dealer is recognized by a manufacturer, importer, or distributor as a dealer in~~  
27 ~~off-highway vehicles.~~

28 ~~(2) The dealer application for registration or renewal of registration must be accompanied by an~~  
29 ~~application or renewal fee of \$5 and a registration fee of \$5. To qualify for the fees in this subsection, the~~  
30 ~~applicant for renewal shall certify that the applicant has sold three or more off-highway vehicles during~~



1 the preceding year. Upon receipt of the dealer application or renewal and payment of fees, the dealer must  
2 be issued two dealer off-highway identification cards to be carried by the dealer or the dealer's customer  
3 when demonstrating the dealer's off-highway vehicles. Additional dealer off-highway vehicle identification  
4 cards may be purchased by the dealer from the department of justice for a fee of \$2 each.

5 ~~—— (3) (a) A dealer shall file a bond in the amount of \$5,000.~~

6 ~~—— (b) The bond must be conditioned that the applicant shall conduct business in accordance with  
7 the requirements of the law. The bond must run to the state of Montana, must be approved by the  
8 department and filed in its office, and must be renewed annually.~~

9 ~~—— (c) A person who suffers loss or damage because of the unlawful conduct of a dealer registered  
10 under this section shall obtain a judgment from a court of competent jurisdiction prior to collecting on the  
11 bond. Before payment on the bond is required, the judgment must determine a specific loss or damage  
12 amount and conclude that the dealer's unlawful operation caused the loss or damage.~~

13 ~~—— (4) The dealer shall have a principal place of business where the dealer maintains all business  
14 records and where the dealer displays and sells merchandise.~~

15 ~~—— (5) An applicant for renewal of an off-highway vehicle dealer registration who does not qualify  
16 under subsection (2) shall:~~

17 ~~—— (a) pay an additional \$50 renewal registration fee; and~~

18 ~~—— (b) provide a copy of a new off-highway vehicle franchise or sales agreement that the applicant  
19 has with a manufacturer, importer, or distributor.~~

20 ~~—— (6) Dealer registration certificates and identification cards expire on December 31 following the  
21 date of issuance.~~

22 ~~—— (7) (a) The dealer application fees and all interest accruing from use of this money must be  
23 deposited in the general fund to be used by the department of justice for the administration of this part.~~

24 ~~—— (b) All dealer registration fees and renewal fees collected must be deposited in the account  
25 provided in 23-2-804(3). This money and the interest earned on it must be used for off-highway vehicle  
26 safety and education programs state general fund."~~

27  
28 **SECTION 142. SECTION 23-2-818, MCA, IS AMENDED TO READ:**

29 **"23-2-818. Dealer registration certificate --use of fees.** (1) (a) Unless the dealer is licensed under  
30 the provisions of 61-4-101, a dealer may not sell off-highway vehicles unless the dealer has first obtained

1 a dealer registration certificate from the department of justice under the provisions of this section.

2 (b) To qualify as a dealer the applicant, when registering or renewing a registration, shall:

3 (i) complete an application:

4 (A) stating the name under which the business is to be conducted and the location of the premises  
5 (street address, city, county, and state) where records are kept, sales are made, and stock is displayed;

6 (B) stating the name, address, date of birth, and social security number of all owners or persons  
7 having an interest in the business, provided that in the case of a corporation, the names and addresses  
8 of the president and secretary are sufficient;

9 (C) identifying other dealerships owned by the applicant, identifying all persons in Montana or in  
10 another state having an interest in another dealership owned by the applicant, and disclosing whether the  
11 applicant or any other person with interest in a dealership owned by the applicant has been convicted of  
12 a felony; and

13 (D) stating the name and make of all off-highway vehicles handled and the name and address of  
14 the manufacturer, importer, or distributor with whom the applicant has a written franchise or sales  
15 agreement;

16 (ii) provide an affidavit certifying that the applicant has acquired and shall maintain liability  
17 insurance for any off-highway vehicle offered for demonstration or loan to a customer;

18 (iii) execute a certificate to the effect that the applicant has a permanent building for the display  
19 and sale of off-highway vehicles at the location of the premises where sales are conducted;

20 (iv) execute a certificate to the effect that the applicant has a bona fide service department for the  
21 repair, service, and maintenance of off-highway vehicles; and

22 (v) execute a certificate to the effect that the applicant is a bona fide dealer in off-highway  
23 vehicles and that the dealer is recognized by a manufacturer, importer, or distributor as a dealer in  
24 off-highway vehicles.

25 (2) The dealer application for registration or renewal of registration must be accompanied by an  
26 application or renewal fee of \$5 and a registration fee of \$5. To qualify for the fees in this subsection, the  
27 applicant for renewal shall certify that the applicant has sold three or more off-highway vehicles during  
28 the preceding year. Upon receipt of the dealer application or renewal and payment of fees, the dealer must  
29 be issued two dealer off-highway identification cards to be carried by the dealer or the dealer's customer  
30 when demonstrating the dealer's off-highway vehicles. Additional dealer off-highway vehicle identification

1 cards may be purchased by the dealer from the department of justice for a fee of \$2 each.

2 (3) (a) A dealer shall file a bond in the amount of \$5,000.

3 (b) The bond must be conditioned that the applicant shall conduct business in accordance with  
4 the requirements of the law. The bond must run to the state of Montana, must be approved by the  
5 department and filed in its office, and must be renewed annually.

6 (c) A person who suffers loss or damage because of the unlawful conduct of a dealer registered  
7 under this section shall obtain a judgment from a court of competent jurisdiction prior to collecting on the  
8 bond. Before payment on the bond is required, the judgment must determine a specific loss or damage  
9 amount and conclude that the dealer's unlawful operation caused the loss or damage.

10 (4) The dealer shall have a principal place of business where the dealer maintains all business  
11 records and where the dealer displays and sells merchandise.

12 (5) An applicant for renewal of an off-highway vehicle dealer registration who does not qualify  
13 under subsection (2) shall:

14 (a) pay an additional \$50 renewal registration fee; and

15 (b) provide a copy of a new off-highway vehicle franchise or sales agreement that the applicant  
16 has with a manufacturer, importer, or distributor.

17 (6) Dealer registration certificates and identification cards expire on December 31 following the  
18 date of issuance.

19 (7) (a) The dealer application fees and all interest accruing from use of this money must be  
20 deposited in the general fund to be used by the department of justice for the administration of this part.

21 (b) All dealer registration fees and renewal fees collected must be deposited in the ~~account~~  
22 ~~provided in 23-2-804(3). This money and the interest earned on it must be used for off-highway vehicle~~  
23 ~~safety and education programs~~ state general fund."

24

25 ~~Section 144. Section 23-5-610, MCA, is amended to read:~~

26 ~~"23-5-610. (Temporary) Video gambling machine gross income tax -- records -- distribution --~~  
27 ~~quarterly statement and payment. (1) A licensed machine owner shall pay to the department a video~~  
28 ~~gambling machine tax of 15% of the gross income from each video gambling machine issued a permit~~  
29 ~~under this part. A licensed machine owner may deduct from the gross income amounts equal to amounts~~  
30 ~~stolen from machines if the amounts stolen are not repaid by insurance or under a court order, if a law~~

1 enforcement agency investigated the theft, and if the theft is the result of either unauthorized entry and  
2 physical removal of the money from the machines or of machine tampering and the amounts stolen are  
3 documented.

4 ~~———(2) (a) A licensed machine owner is entitled to a tax credit for each video gambling machine for  
5 which a permit has been issued under this part if:~~

6 ~~———(i) the permit was active for the video gambling machine on December 31, 2000;~~

7 ~~———(ii) the department determines that the video gambling machine is incapable, in the form in which  
8 it was approved by the department, of communicating with the automated accounting and reporting  
9 system authorized by 23-5-637; and~~

10 ~~———(iii) the licensed machine owner participates in the automated accounting and reporting system and  
11 incurs actual hardware or software costs prior to December 31, 2003, for conversion of the video  
12 gambling machine to make it compatible with the automated system.~~

13 ~~———(b) The amount of the tax credit allowed under subsection (2)(a) is \$250 for each video gambling  
14 machine or the actual hardware and software cost necessary for conversion of the video gambling machine  
15 to the automated accounting and reporting system, whichever is less.~~

16 ~~———(3) If a tax credit is claimed under subsection (2)(a), the credit is deducted from the tax due for  
17 the quarter or quarters that begin after the video gambling machine for which the tax credit is claimed is  
18 connected to the automated accounting and reporting system authorized by 23-5-637.~~

19 ~~———(4) A licensed machine owner shall keep a record of the gross income from each video gambling  
20 machine issued a permit under this part in the form the department requires. The records must at all times  
21 during the business hours of the licensee be subject to inspection by the department.~~

22 ~~———(5) (a) For each video gambling machine issued a permit under this part but not connected to the  
23 department's automated accounting and reporting system, a licensed machine owner shall, within 15 days  
24 after the end of each quarter and in the manner prescribed by the department, complete and deliver to the  
25 department a statement showing the total gross income, together with the total amount due the state as  
26 video gambling machine gross income tax for the preceding quarter. The statement must contain other  
27 relevant information that the department requires.~~

28 ~~———(b) For each video gambling machine issued a permit under this part that is connected to the  
29 department's automated accounting and reporting system, the department shall, within 5 working days  
30 after the end of each quarter, complete and deliver to the licensed machine owner (with a copy sent to~~

1 the licensed operator, if different from the licensed machine owner, on whose premises the machine is  
2 placed) a statement showing the total gross income from the video gambling machine, together with the  
3 total amount due the state as video gambling machine gross income tax for the preceding quarter. The  
4 licensed machine owner shall remit the total amount due the state under this subsection within 25 days  
5 after the end of each quarter.

6 ~~—— (6) (a) Except as provided in subsection (7), the department shall, in accordance with the~~  
7 ~~provisions of 15-1-501, forward one-third of the tax collected under subsection (5) to the general fund.~~

8 ~~—— (b) The department shall, in accordance with the provisions of 15-1-501, forward the remaining~~  
9 ~~two-thirds of the tax collected under subsection (5) to the treasurer of the county or the clerk, finance~~  
10 ~~officer, or treasurer of the city or town in which the licensed machine is located, for deposit to the county~~  
11 ~~or municipal treasury. Counties are not entitled to proceeds from taxes on income from video gambling~~  
12 ~~machines located in incorporated cities and towns. The two-thirds local government portion of tax~~  
13 ~~collected under subsection (5) is statutorily appropriated, as provided in 17-7-502, to the department for~~  
14 ~~deposit to the county or municipal treasury.~~

15 ~~—— (7) Receipts from the state's share of taxes collected under this section are pledged and dedicated~~  
16 ~~to guarantee repayment of loans participated in under 23-5-638 in an amount sufficient to meet the~~  
17 ~~prepayment obligation for the fiscal year during which the loans are made. The amount of taxes pledged~~  
18 ~~by this subsection is the dollar amount of loan participation under 23-5-638 and must be allocated to a~~  
19 ~~separate account in the short-term investment pool. The board of investments is not entitled to use the~~  
20 ~~proceeds from taxes collected under this section to repay a loan made under 23-5-638 unless the board~~  
21 ~~certifies that all other commercially available means of collection on the loan have been exhausted.~~  
22 ~~(Terminates December 31, 2005--sec. 10, Ch. 424, L. 1999.)~~

23 ~~—— 23-5-610. (Effective January 1, 2006) Video gambling machine gross income tax -- records --~~  
24 ~~distribution -- quarterly statement and payment. (1) A licensed machine owner shall pay to the department~~  
25 ~~a video gambling machine tax of 15% of the gross income from each video gambling machine issued a~~  
26 ~~permit under this part. A licensed machine owner may deduct from the gross income amounts equal to~~  
27 ~~amounts stolen from machines if the amounts stolen are not repaid by insurance or under a court order,~~  
28 ~~if a law enforcement agency investigated the theft, and if the theft is the result of either unauthorized~~  
29 ~~entry and physical removal of the money from the machines or of machine tampering and the amounts~~  
30 ~~stolen are documented.~~

1 ~~——— (2) (a) A licensed machine owner is entitled to a tax credit for each video gambling machine for~~  
2 ~~which a permit has been issued under this part if:~~  
3 ~~——— (i) the permit was active for the video gambling machine on December 31, 2000;~~  
4 ~~——— (ii) the department determines that the video gambling machine is incapable, in the form in which~~  
5 ~~it was approved by the department, of communicating with the automated accounting and reporting~~  
6 ~~system authorized by 23-5-637; and~~  
7 ~~——— (iii) the licensed machine owner participates in the automated accounting and reporting system and~~  
8 ~~incurs actual hardware or software costs prior to December 31, 2003, for conversion of the video~~  
9 ~~gambling machine to make it compatible with the automated system.~~  
10 ~~——— (b) The amount of the tax credit allowed under subsection (2)(a) is \$250 for each video gambling~~  
11 ~~machine or the actual hardware and software cost necessary for conversion of the video gambling machine~~  
12 ~~to the automated accounting and reporting system, whichever is less.~~  
13 ~~——— (3) If a tax credit is claimed under subsection (2)(a), the credit is deducted from the tax due for~~  
14 ~~the quarter or quarters that begin after the video gambling machine for which the tax credit is claimed is~~  
15 ~~connected to the automated accounting and reporting system authorized by 23-5-637.~~  
16 ~~——— (4) A licensed machine owner shall keep a record of the gross income from each video gambling~~  
17 ~~machine issued a permit under this part in the form the department requires. The records must at all times~~  
18 ~~during the business hours of the licensee be subject to inspection by the department.~~  
19 ~~——— (5) (a) For each video gambling machine issued a permit under this part but not connected to the~~  
20 ~~department's automated accounting and reporting system, a licensed machine owner shall, within 15 days~~  
21 ~~after the end of each quarter and in the manner prescribed by the department, complete and deliver to the~~  
22 ~~department a statement showing the total gross income, together with the total amount due the state as~~  
23 ~~video gambling machine gross income tax for the preceding quarter. The statement must contain other~~  
24 ~~relevant information that the department requires.~~  
25 ~~——— (b) For each video gambling machine issued a permit under this part that is connected to the~~  
26 ~~department's automated accounting and reporting system, the department shall, within 5 working days~~  
27 ~~after the end of each quarter, complete and deliver to the licensed machine owner (with a copy sent to~~  
28 ~~the licensed operator, if different from the licensed machine owner, on whose premises the machine is~~  
29 ~~placed) a statement showing the total gross income from the video gambling machine, together with the~~  
30 ~~total amount due the state as video gambling machine gross income tax for the preceding quarter. The~~

1 ~~licensed machine owner shall remit the total amount due the state under this subsection within 25 days~~  
2 ~~after the end of each quarter.~~

3 ~~—— (6) (a) The department shall, in accordance with the provisions of 15-1-501, forward one-third~~  
4 ~~of the tax collected under subsection (5) to the general fund.~~

5 ~~—— (b) The department shall, in accordance with the provisions of 15-1-501, forward the remaining~~  
6 ~~two-thirds of the tax collected under subsection (5) to the treasurer of the county or the clerk, finance~~  
7 ~~officer, or treasurer of the city or town in which the licensed machine is located, for deposit to the county~~  
8 ~~or municipal treasury. Counties are not entitled to proceeds from taxes on income from video gambling~~  
9 ~~machines located in incorporated cities and towns. The two-thirds local government portion of tax~~  
10 ~~collected under subsection (5) is statutorily appropriated, as provided in 17-7-502, to the department for~~  
11 ~~deposit to the county or municipal treasury."~~

12

13 **SECTION 143. SECTION 23-5-610, MCA, IS AMENDED TO READ:**

14 **"23-5-610. (Temporary) Video gambling machine gross income tax -- records -- distribution --**  
15 **quarterly statement and payment.** (1) A licensed machine owner shall pay to the department a video  
16 gambling machine tax of 15% of the gross income from each video gambling machine issued a permit  
17 under this part. A licensed machine owner may deduct from the gross income amounts equal to amounts  
18 stolen from machines if the amounts stolen are not repaid by insurance or under a court order, if a law  
19 enforcement agency investigated the theft, and if the theft is the result of either unauthorized entry and  
20 physical removal of the money from the machines or of machine tampering and the amounts stolen are  
21 documented.

22 (2) (a) A licensed machine owner is entitled to a tax credit for each video gambling machine for  
23 which a permit has been issued under this part if:

24 (i) the permit was active for the video gambling machine on December 31, 2000;

25 (ii) the department determines that the video gambling machine is incapable, in the form in which  
26 it was approved by the department, of communicating with the automated accounting and reporting  
27 system authorized by 23-5-637; and

28 (iii) the licensed machine owner participates in the automated accounting and reporting system and  
29 incurs actual hardware or software costs prior to December 31, 2003, for conversion of the video  
30 gambling machine to make it compatible with the automated system.

(b) The amount of the tax credit allowed under subsection (2)(a) is \$250 for each video gambling machine or the actual hardware and software cost necessary for conversion of the video gambling machine to the automated accounting and reporting system, whichever is less.

(3) If a tax credit is claimed under subsection (2)(a), the credit is deducted from the tax due for the quarter or quarters that begin after the video gambling machine for which the tax credit is claimed is connected to the automated accounting and reporting system authorized by 23-5-637.

(4) A licensed machine owner shall keep a record of the gross income from each video gambling machine issued a permit under this part in the form the department requires. The records must at all times during the business hours of the licensee be subject to inspection by the department.

(5) (a) For each video gambling machine issued a permit under this part but not connected to the department's automated accounting and reporting system, a licensed machine owner shall, within 15 days after the end of each quarter and in the manner prescribed by the department, complete and deliver to the department a statement showing the total gross income, together with the total amount due the state as video gambling machine gross income tax for the preceding quarter. The statement must contain other relevant information that the department requires.

(b) For each video gambling machine issued a permit under this part that is connected to the department's automated accounting and reporting system, the department shall, within 5 working days after the end of each quarter, complete and deliver to the licensed machine owner (with a copy sent to the licensed operator, if different from the licensed machine owner, on whose premises the machine is placed) a statement showing the total gross income from the video gambling machine, together with the total amount due the state as video gambling machine gross income tax for the preceding quarter. The licensed machine owner shall remit the total amount due the state under this subsection within 25 days after the end of each quarter.

(6) ~~(a)~~ Except as provided in subsection (7), the department shall, in accordance with the provisions of 15-1-501, forward ~~one-third of~~ the tax collected under subsection (5) to the general fund.

~~(b) The department shall, in accordance with the provisions of 15-1-501, forward the remaining two-thirds of the tax collected under subsection (5) to the treasurer of the county or the clerk, finance officer, or treasurer of the city or town in which the licensed machine is located, for deposit to the county or municipal treasury. Counties are not entitled to proceeds from taxes on income from video gambling machines located in incorporated cities and towns. The two-thirds local government portion of tax~~



1 ~~collected under subsection (5) is statutorily appropriated, as provided in 17-7-502, to the department for~~  
2 ~~deposit to the county or municipal treasury.~~

3 (7) Receipts from the ~~state's share of~~ taxes collected under this section are pledged and dedicated  
4 to guarantee repayment of loans participated in under 23-5-638 in an amount sufficient to meet the  
5 prepayment obligation for the fiscal year during which the loans are made. The amount of taxes pledged  
6 by this subsection is the dollar amount of loan participation under 23-5-638 and must be allocated to a  
7 separate account in the short-term investment pool. The board of investments is not entitled to use the  
8 proceeds from taxes collected under this section to repay a loan made under 23-5-638 unless the board  
9 certifies that all other commercially available means of collection on the loan have been exhausted.  
10 (Terminates December 31, 2005--sec. 10, Ch. 424, L. 1999.)

11 **23-5-610. (Effective January 1, 2006) Video gambling machine gross income tax -- records --**  
12 **distribution -- quarterly statement and payment.** (1) A licensed machine owner shall pay to the department  
13 a video gambling machine tax of 15% of the gross income from each video gambling machine issued a  
14 permit under this part. A licensed machine owner may deduct from the gross income amounts equal to  
15 amounts stolen from machines if the amounts stolen are not repaid by insurance or under a court order,  
16 if a law enforcement agency investigated the theft, and if the theft is the result of either unauthorized  
17 entry and physical removal of the money from the machines or of machine tampering and the amounts  
18 stolen are documented.

19 (2) (a) A licensed machine owner is entitled to a tax credit for each video gambling machine for  
20 which a permit has been issued under this part if:

21 (i) the permit was active for the video gambling machine on December 31, 2000;

22 (ii) the department determines that the video gambling machine is incapable, in the form in which  
23 it was approved by the department, of communicating with the automated accounting and reporting  
24 system authorized by 23-5-637; and

25 (iii) the licensed machine owner participates in the automated accounting and reporting system and  
26 incurs actual hardware or software costs prior to December 31, 2003, for conversion of the video  
27 gambling machine to make it compatible with the automated system.

28 (b) The amount of the tax credit allowed under subsection (2)(a) is \$250 for each video gambling  
29 machine or the actual hardware and software cost necessary for conversion of the video gambling machine  
30 to the automated accounting and reporting system, whichever is less.

(3) If a tax credit is claimed under subsection (2)(a), the credit is deducted from the tax due for the quarter or quarters that begin after the video gambling machine for which the tax credit is claimed is connected to the automated accounting and reporting system authorized by 23-5-637.

(4) A licensed machine owner shall keep a record of the gross income from each video gambling machine issued a permit under this part in the form the department requires. The records must at all times during the business hours of the licensee be subject to inspection by the department.

(5) (a) For each video gambling machine issued a permit under this part but not connected to the department's automated accounting and reporting system, a licensed machine owner shall, within 15 days after the end of each quarter and in the manner prescribed by the department, complete and deliver to the department a statement showing the total gross income, together with the total amount due the state as video gambling machine gross income tax for the preceding quarter. The statement must contain other relevant information that the department requires.

(b) For each video gambling machine issued a permit under this part that is connected to the department's automated accounting and reporting system, the department shall, within 5 working days after the end of each quarter, complete and deliver to the licensed machine owner (with a copy sent to the licensed operator, if different from the licensed machine owner, on whose premises the machine is placed) a statement showing the total gross income from the video gambling machine, together with the total amount due the state as video gambling machine gross income tax for the preceding quarter. The licensed machine owner shall remit the total amount due the state under this subsection within 25 days after the end of each quarter.

(6) ~~(a)~~ The department shall, in accordance with the provisions of 15-1-501, forward ~~one-third~~ of the tax collected under subsection (5) to the general fund.

~~(b) The department shall, in accordance with the provisions of 15-1-501, forward the remaining two-thirds of the tax collected under subsection (5) to the treasurer of the county or the clerk, finance officer, or treasurer of the city or town in which the licensed machine is located, for deposit to the county or municipal treasury. Counties are not entitled to proceeds from taxes on income from video gambling machines located in incorporated cities and towns. The two-thirds local government portion of tax collected under subsection (5) is statutorily appropriated, as provided in 17-7-502, to the department for deposit to the county or municipal treasury."~~

1 ~~Section 162.~~ Section 23-5-612, MCA, is amended to read:

2 ~~"23-5-612. Machine permits -- fee.~~ (1) The department, upon payment of the fee provided in  
3 subsection (2) and in conformance with rules adopted under this part, shall issue to the operator an annual  
4 permit for an approved video gambling machine.

5 ~~(2) (a) The department shall charge an annual permit fee of \$200 for each video gambling machine~~  
6 ~~permit. The fee must be prorated on a quarterly basis but may not be prorated to allow a permit to expire~~  
7 ~~before June 30. The department may not grant a refund if the video gambling machine ceases operation~~  
8 ~~before the permit expires.~~

9 ~~(b) If the person holding the gambling operator's license for the premises in which the machine~~  
10 ~~is located changes during the first quarter of the permit year and the new operator has received an~~  
11 ~~operator's license and if a machine transfer processing fee of \$25 per machine is paid to the department,~~  
12 ~~the permit remains valid for the remainder of the permit year.~~

13 ~~(3) The department shall deposit 50% of the total permit fee collected under subsection (2)(a) and~~  
14 ~~100% of the machine transfer processing fee collected under subsection (2)(b) in the state special revenue~~  
15 ~~fund for purposes of administering this part and for other purposes provided by law. The balance of the~~  
16 ~~fee collected under subsection (2)(a) must be returned on a quarterly basis to the local government~~  
17 ~~jurisdiction in which the gambling machine is located. The local government portion of the fee is statutorily~~  
18 ~~appropriated to the department, as provided in 17-7-502, for deposit in the local government treasury~~  
19 ~~deposited in the state general fund."~~

20

21 ~~Section 145.~~ Section 25-1-201, MCA, is amended to read:

22 ~~"25-1-201. Fees of clerk of district court.~~ (1) The clerk of the district court shall collect the  
23 following fees:

24 ~~(a) at the commencement of each action or proceeding, except a petition for dissolution of~~  
25 ~~marriage, from the plaintiff or petitioner, \$90; for filing a complaint in intervention, from the intervenor,~~  
26 ~~\$80; for filing a petition for dissolution of marriage, \$160; for filing a petition for legal separation, \$150;~~  
27 ~~and for filing a petition for a contested amendment of a final parenting plan, \$120;~~

28 ~~(b) from each defendant or respondent, on appearance, \$60;~~

29 ~~(c) on the entry of judgment, from the prevailing party, \$45;~~

30 ~~(d) for preparing copies of papers on file in the clerk's office, 50 cents a page for the first five~~

1 ~~pages of each file, for each request, and 25 cents for each additional page;~~  
2 ~~—— (e) for each certificate, with seal, \$2;~~  
3 ~~—— (f) for oath and jurat, with seal, \$1;~~  
4 ~~—— (g) for a search of court records, 50 cents for each year searched, not to exceed a total of \$25;~~  
5 ~~—— (h) for filing and docketing a transcript of judgment or transcript of the docket from all other~~  
6 ~~courts, the fee for entry of judgment provided for in subsection (1)(c);~~  
7 ~~—— (i) for issuing an execution or order of sale on a foreclosure of a lien, \$5;~~  
8 ~~—— (j) for transmission of records or files or transfer of a case to another court, \$5;~~  
9 ~~—— (k) for filing and entering papers received by transfer from other courts, \$10;~~  
10 ~~—— (l) for issuing a marriage license, \$30;~~  
11 ~~—— (m) on the filing of an application for informal, formal, or supervised probate or for the~~  
12 ~~appointment of a personal representative or the filing of a petition for the appointment of a guardian or~~  
13 ~~conservator, from the applicant or petitioner, \$70, which includes the fee for filing a will for probate;~~  
14 ~~—— (n) on the filing of the items required in 72-4-303 by a domiciliary foreign personal representative~~  
15 ~~of the estate of a nonresident decedent, \$55;~~  
16 ~~—— (o) for filing a declaration of marriage without solemnization, \$30;~~  
17 ~~—— (p) for filing a motion for substitution of a judge, \$100;~~  
18 ~~—— (q) for filing a petition for adoption, \$75.~~  
19 ~~—— (2) Except as provided in subsections (3) through (11), 32% of all All EXCEPT AS PROVIDED IN~~  
20 ~~SUBSECTIONS (3) AND (5) THROUGH (7), (5), AND (6), ALL fees collected by the clerk of the district court must~~  
21 ~~be deposited in and credited to the district court the state general fund. If no district court fund exists, that~~  
22 ~~portion of the fees must be deposited in the general fund for district court operations. The remaining~~  
23 ~~portion of the fees must be remitted to the state general fund.~~  
24 ~~—— (3) In the case of a fee collected for issuing a marriage license or filing a declaration of marriage~~  
25 ~~without solemnization, \$23.60 must be deposited in and credited to the state general fund and \$6.40 must~~  
26 ~~be deposited in and credited to the county general fund.~~  
27 ~~—— (4) (a) Of the fee for filing a petition for dissolution of marriage, \$75 must be deposited in the~~  
28 ~~state general fund, \$5 must be deposited in the children's trust fund account established in 41-3-702, \$9~~  
29 ~~must be deposited in the civil legal assistance for indigent victims of domestic violence account established~~  
30 ~~in 3-2-714, \$30 must be deposited in the partner and family member assault intervention and treatment~~

1 ~~fund established in 40-15-110, and \$21 must be deposited in and credited to the district court fund. If no~~  
2 ~~district court fund exists, the \$21 must be deposited in the general fund for district court operations.~~  
3 ~~—— (b) Of the fee for filing a petition for legal separation, \$75 must be deposited in the state general~~  
4 ~~fund, \$5 must be deposited in the children's trust fund account established in 41-3-702, \$30 must be~~  
5 ~~deposited in the partner and family member assault intervention and treatment fund established in~~  
6 ~~40-15-110, and \$20 must be deposited in and credited to the district court fund. If no district court fund~~  
7 ~~exists, the \$20 must be deposited in the general fund for district court operations.~~  
8 ~~—— (5) (a) Before the percentages contained in subsection (2) are applied and the fees deposited in~~  
9 ~~the district court fund or the county general fund or remitted to the state, the clerk of the district court~~  
10 ~~shall deduct from the following fees the amounts indicated:~~  
11 ~~—— (i) at the commencement of each action or proceeding and for filing a complaint in intervention,~~  
12 ~~as provided in subsection (1)(a), \$35;~~  
13 ~~—— (ii) from each defendant or respondent, on appearance, as provided in subsection (1)(b), \$25;~~  
14 ~~—— (iii) on the entry of judgment, as provided in subsection (1)(c), \$15; and~~  
15 ~~—— (iv) from the applicant or petitioner, on the filing of an application for probate or for the~~  
16 ~~appointment of a personal representative or on the filing of a petition for appointment of a guardian or~~  
17 ~~conservator, as provided in subsection (1)(m), \$15.~~  
18 ~~—— (b) The clerk of the district court shall deposit the money deducted in subsection (5)(a) in the~~  
19 ~~county general fund for district court operations unless the county has a district court fund. If the county~~  
20 ~~has a district court fund, the money must be deposited in that fund.~~  
21 ~~—— (6) The fee for filing a motion for substitution of a judge, as provided in subsection (1)(p), must~~  
22 ~~be remitted to the state general fund.~~  
23 ~~—— (7) Fees collected under subsections (1)(d) through (1)(i) must be deposited in the district court~~  
24 ~~fund. If no district court fund exists, fees must be deposited in the general fund for district court~~  
25 ~~operations.~~  
26 ~~—— (8) The clerk of the district court shall remit to the credit of the state general fund \$20 of each~~  
27 ~~fee collected under the provisions of subsections (1)(a) through (1)(c), (1)(m), and (1)(n) to fund a portion~~  
28 ~~of judicial salaries.~~  
29 ~~—— (9) (a) The fee for filing a petition for a contested amendment of a parenting plan must be remitted~~  
30 ~~by the clerk of the district court to the credit of the district court to defray the costs of the~~

~~1 court-sanctioned educational program concerning the effects of dissolution of marriage on children, as~~  
~~2 required in 40-4-226, and to defray the expense of education when ordered for the investigation and~~  
~~3 preparation of a report concerning parenting arrangements, as provided in 40-4-215(2)(a).~~

~~4 (b) If the moving party files a statement signed by the nonmoving party agreeing not to contest~~  
~~5 an amendment of a final parenting plan at the time the petition for amendment is filed, the clerk of the~~  
~~6 district court may not collect from the moving party the fee for filing a petition for a contested amendment~~  
~~7 of a parenting plan under subsection (1)(a).~~

~~8 (10) The clerk of district court shall remit to the credit of the special revenue account established~~  
~~9 in 42-2-105 \$70 of the filing fee required in subsection (1)(q), and \$5 of the filing fee must be deposited~~  
~~10 in the district court fund. If no district court fund exists, fees must be deposited in the general fund for~~  
~~11 district court operations.~~

~~12 (11) Of the fee for filing an action or proceeding, except a petition for dissolution of marriage, \$9~~  
~~13 must be deposited in the civil legal assistance for indigent victims of domestic violence account established~~  
~~14 in 3-2-714 and \$1 must be deposited in and credited to the district court fund for mitigation of~~  
~~15 administrative costs incurred by the court in the collection of the fee. If a district court fund does not exist,~~  
~~16 the \$1 must be deposited in the county general fund for district court operations.~~

~~17 (3) (A) OF THE FEE FOR FILING A PETITION FOR DISSOLUTION OF MARRIAGE, \$5 MUST BE DEPOSITED IN THE~~  
~~18 CHILDREN'S TRUST FUND ACCOUNT ESTABLISHED IN 41-3-702, \$9 MUST BE DEPOSITED IN THE CIVIL LEGAL ASSISTANCE~~  
~~19 FOR INDIGENT VICTIMS OF DOMESTIC VIOLENCE ACCOUNT ESTABLISHED IN 3-2-714, AND \$30 MUST BE DEPOSITED IN THE~~  
~~20 PARTNER AND FAMILY MEMBER ASSAULT INTERVENTION AND TREATMENT FUND ACCOUNT ESTABLISHED IN 40-15-110.~~

~~21 (B) OF THE FEE FOR FILING A PETITION FOR LEGAL SEPARATION, \$5 MUST BE DEPOSITED IN THE CHILDREN'S TRUST~~  
~~22 FUND ACCOUNT ESTABLISHED IN 41-3-702 AND \$30 MUST BE DEPOSITED IN THE PARTNER AND FAMILY MEMBER ASSAULT~~  
~~23 INTERVENTION AND TREATMENT FUND ACCOUNT ESTABLISHED IN 40-15-110.~~

~~24 (4) IF THE MOVING PARTY FILES A STATEMENT SIGNED BY THE NONMOVING PARTY AGREEING NOT TO CONTEST~~  
~~25 AN AMENDMENT OF A FINAL PARENTING PLAN AT THE TIME THE PETITION FOR AMENDMENT IS FILED, THE CLERK OF DISTRICT~~  
~~26 COURT MAY NOT COLLECT FROM THE MOVING PARTY THE FEE FOR FILING A PETITION FOR A CONTESTED AMENDMENT OF~~  
~~27 A PARENTING PLAN UNDER SUBSECTION (1)(A).~~

~~28 (5) THE CLERK OF DISTRICT COURT SHALL REMIT TO THE CREDIT OF THE ADOPTION SERVICES STATE SPECIAL~~  
~~29 REVENUE ACCOUNT ESTABLISHED IN 42-2-105 \$70 OF THE FILING FEE REQUIRED IN SUBSECTION (1)(Q).~~

~~30 (6)(5) OF THE FEE FOR FILING AN ACTION OR PROCEEDING, EXCEPT A PETITION FOR DISSOLUTION OF MARRIAGE,~~

~~1 \$9 MUST BE DEPOSITED IN THE CIVIL LEGAL ASSISTANCE FOR INDIGENT VICTIMS OF DOMESTIC VIOLENCE ACCOUNT~~  
~~2 ESTABLISHED IN 3-2-714.~~  
~~3 (7)(6) THE FEES COLLECTED UNDER SUBSECTIONS (1)(D), (1)(G), AND (1)(J) MUST BE DEPOSITED IN THE COUNTY~~  
~~4 DISTRICT COURT FUND. IF A DISTRICT COURT FUND DOES NOT EXIST, THE FEES MUST BE DEPOSITED IN THE COUNTY~~  
~~5 GENERAL FUND FOR DISTRICT COURT OPERATIONS."~~

6

7 **SECTION 144.** SECTION 25-1-201, MCA, IS AMENDED TO READ:

8 **"25-1-201. Fees of clerk of district court.** (1) The clerk of the district court shall collect the  
9 following fees:

10 (a) at the commencement of each action or proceeding, except a petition for dissolution of  
11 marriage, from the plaintiff or petitioner, \$90; for filing a complaint in intervention, from the intervenor,  
12 \$80; for filing a petition for dissolution of marriage, \$160; for filing a petition for legal separation, \$150;  
13 and for filing a petition for a contested amendment of a final parenting plan, \$120;

14 (b) from each defendant or respondent, on appearance, \$60;

15 (c) on the entry of judgment, from the prevailing party, \$45;

16 (d) for preparing copies of papers on file in the clerk's office, 50 cents a page for the first five  
17 pages of each file, for each request, and 25 cents for each additional page;

18 (e) for each certificate, with seal, \$2;

19 (f) for oath and jurat, with seal, \$1;

20 (g) for a search of court records, 50 cents for each year searched, not to exceed a total of \$25;

21 (h) for filing and docketing a transcript of judgment or transcript of the docket from all other  
22 courts, the fee for entry of judgment provided for in subsection (1)(c);

23 (i) for issuing an execution or order of sale on a foreclosure of a lien, \$5;

24 (j) for transmission of records or files or transfer of a case to another court, \$5;

25 (k) for filing and entering papers received by transfer from other courts, \$10;

26 (l) for issuing a marriage license, \$30;

27 (m) on the filing of an application for informal, formal, or supervised probate or for the  
28 appointment of a personal representative or the filing of a petition for the appointment of a guardian or  
29 conservator, from the applicant or petitioner, \$70, which includes the fee for filing a will for probate;

30 (n) on the filing of the items required in 72-4-303 by a domiciliary foreign personal representative

1 of the estate of a nonresident decedent, \$55;

2 (o) for filing a declaration of marriage without solemnization, \$30;

3 (p) for filing a motion for substitution of a judge, \$100;

4 (q) for filing a petition for adoption, \$75.

5 (2) ~~Except as provided in subsections (3) through (11), 32% of all~~ Except as provided in  
6 subsections (3), (5), and (6), all fees collected by the clerk of the district court must be deposited in ~~and~~  
7 ~~credited to the district court~~ the state general fund. ~~If no district court fund exists, that portion of the fees~~  
8 ~~must be deposited in the general fund for district court operations. The remaining portion of the fees must~~  
9 ~~be remitted to the state general fund.~~

10 ~~——— (3) In the case of a fee collected for issuing a marriage license or filing a declaration of marriage~~  
11 ~~without solemnization, \$23.60 must be deposited in and credited to the state general fund and \$6.40 must~~  
12 ~~be deposited in and credited to the county general fund.~~

13 ~~——— (4) (a) Of the fee for filing a petition for dissolution of marriage, \$75 must be deposited in the~~  
14 ~~state general fund, \$5 must be deposited in the children's trust fund account established in 41-3-702, \$9~~  
15 ~~must be deposited in the civil legal assistance for indigent victims of domestic violence account established~~  
16 ~~in 3-2-714, \$30 must be deposited in the partner and family member assault intervention and treatment~~  
17 ~~fund established in 40-15-110, and \$21 must be deposited in and credited to the district court fund. If no~~  
18 ~~district court fund exists, the \$21 must be deposited in the general fund for district court operations.~~

19 ~~——— (b) Of the fee for filing a petition for legal separation, \$75 must be deposited in the state general~~  
20 ~~fund, \$5 must be deposited in the children's trust fund account established in 41-3-702, \$30 must be~~  
21 ~~deposited in the partner and family member assault intervention and treatment fund established in~~  
22 ~~40-15-110, and \$20 must be deposited in and credited to the district court fund. If no district court fund~~  
23 ~~exists, the \$20 must be deposited in the general fund for district court operations.~~

24 ~~——— (5) (a) Before the percentages contained in subsection (2) are applied and the fees deposited in~~  
25 ~~the district court fund or the county general fund or remitted to the state, the clerk of the district court~~  
26 ~~shall deduct from the following fees the amounts indicated:~~

27 ~~——— (i) at the commencement of each action or proceeding and for filing a complaint in intervention,~~  
28 ~~as provided in subsection (1)(a), \$35;~~

29 ~~——— (ii) from each defendant or respondent, on appearance, as provided in subsection (1)(b), \$25;~~

30 ~~——— (iii) on the entry of judgment, as provided in subsection (1)(c), \$15; and~~



~~——— (iv) from the applicant or petitioner, on the filing of an application for probate or for the appointment of a personal representative or on the filing of a petition for appointment of a guardian or conservator, as provided in subsection (1)(m), \$15.~~

~~——— (b) The clerk of the district court shall deposit the money deducted in subsection (5)(a) in the county general fund for district court operations unless the county has a district court fund. If the county has a district court fund, the money must be deposited in that fund.~~

~~——— (6) The fee for filing a motion for substitution of a judge, as provided in subsection (1)(p), must be remitted to the state general fund.~~

~~——— (7) Fees collected under subsections (1)(d) through (1)(i) must be deposited in the district court fund. If no district court fund exists, fees must be deposited in the general fund for district court operations.~~

~~——— (8) The clerk of the district court shall remit to the credit of the state general fund \$20 of each fee collected under the provisions of subsections (1)(a) through (1)(c), (1)(m), and (1)(n) to fund a portion of judicial salaries.~~

~~——— (9) (a) The fee for filing a petition for a contested amendment of a parenting plan must be remitted by the clerk of the district court to the credit of the district court to defray the costs of the court-sanctioned educational program concerning the effects of dissolution of marriage on children, as required in 40-4-226, and to defray the expense of education when ordered for the investigation and preparation of a report concerning parenting arrangements, as provided in 40-4-215(2)(a).~~

~~——— (b) If the moving party files a statement signed by the nonmoving party agreeing not to contest an amendment of a final parenting plan at the time the petition for amendment is filed, the clerk of the district court may not collect from the moving party the fee for filing a petition for a contested amendment of a parenting plan under subsection (1)(a).~~

~~——— (10) The clerk of district court shall remit to the credit of the special revenue account established in 42-2-105 \$70 of the filing fee required in subsection (1)(q), and \$5 of the filing fee must be deposited in the district court fund. If no district court fund exists, fees must be deposited in the general fund for district court operations.~~

~~——— (11) Of the fee for filing an action or proceeding, except a petition for dissolution of marriage, \$9 must be deposited in the civil legal assistance for indigent victims of domestic violence account established in 3-2-714 and \$1 must be deposited in and credited to the district court fund for mitigation of~~

~~1 administrative costs incurred by the court in the collection of the fee. If a district court fund does not exist,  
2 the \$1 must be deposited in the county general fund for district court operations.~~

3 (3) Of the fee for filing a petition for dissolution of marriage, \$9 must be deposited in the civil legal  
4 assistance for indigent victims of domestic violence account established in 3-2-714.

5 (4) If the moving party files a statement signed by the nonmoving party agreeing not to contest  
6 an amendment of a final parenting plan at the time the petition for amendment is filed, the clerk of district  
7 court may not collect from the moving party the fee for filing a petition for a contested amendment of a  
8 parenting plan under subsection (1)(a).

9 (5) Of the fee for filing an action or proceeding, except a petition for dissolution of marriage, \$9  
10 must be deposited in the civil legal assistance for indigent victims of domestic violence account established  
11 in 3-2-714.

12 (6) The fees collected under subsections (1)(d), (1)(g), and (1)(j) must be deposited in the county  
13 district court fund. If a district court fund does not exist, the fees must be deposited in the county general  
14 fund for district court operations."

15

16 **Section 145.** Section 39-71-403, MCA, is amended to read:

17 **"39-71-403. Plan three exclusive for state agencies -- election of plan by public corporations --**  
18 **financing of self-insurance fund -- exemption for university system -- definition.** (1) Except as provided in  
19 subsection (5), if a state agency is the employer, the terms, conditions, and provisions of compensation  
20 plan No. 3, state fund, are exclusive, compulsory, and obligatory upon both employer and employee. Any  
21 sums necessary to be paid under the provisions of this chapter by a state agency are considered to be  
22 ordinary and necessary expenses of the agency. The agency shall make appropriation of and pay the sums  
23 into the state fund at the time and in the manner provided for in this chapter, notwithstanding that the  
24 state agency may have failed to anticipate the ordinary and necessary expense in a budget, estimate of  
25 expenses, appropriations, ordinances, or otherwise.

26 (2) A public corporation, other than a state agency, may elect coverage under compensation plan  
27 No. 1, plan No. 2, or plan No. 3, separately or jointly with any other public corporation other than a state  
28 agency. A public corporation electing compensation plan No. 1 may purchase reinsurance or issue bonds  
29 or notes pursuant to subsection (3)(b). A public corporation electing compensation plan No. 1 is subject  
30 to the same provisions as a private employer electing compensation plan No. 1.

(3) (a) A public corporation, other than a state agency, that elects plan No. 1 may establish a fund sufficient to pay the compensation and benefits provided for in this chapter and chapter 72 and to discharge all liabilities that are reasonably incurred during the fiscal year for which the election is effective. Proceeds from the fund must be used only to pay claims covered by this chapter and chapter 72 and for actual and necessary expenses required for the efficient administration of the fund, including debt service on any bonds and notes issued pursuant to subsection (3)(b).

(b) (i) A public corporation, other than a state agency, separately or jointly with another public corporation, other than a state agency, may issue and sell its bonds and notes for the purpose of establishing, in whole or in part, the self-insurance workers' compensation fund provided for in subsection (3)(a) and to pay the costs associated with the sale and issuance of the bonds. Bonds and notes may be issued in an amount not exceeding 3% of the taxable valuation of the public corporation as of the date of issue. The bonds and notes must be authorized by resolution of the governing body of the public corporation and are payable from an annual property tax levied in the amount necessary to pay principal and interest on the bonds or notes. This authority to levy an annual property tax exists despite any provision of law or maximum levy limitation, including 15-10-420, to the contrary. The revenue derived from the sale of the bonds and notes may not be used for any other purpose.

(ii) The bonds and notes:

(A) may be sold at public or private sale;

(B) do not constitute debt within the meaning of any statutory debt limitation; and

(C) may contain other terms and provisions as the governing body determines.

(iii) Two or more public corporations, other than state agencies, may agree to exercise their respective borrowing powers jointly under this subsection (3)(b) or may authorize a joint board to exercise the powers on their behalf.

(iv) The fund established from the proceeds of bonds and notes issued and sold under this subsection (3)(b) may, if sufficient, be used in lieu of a surety bond, reinsurance, specific and aggregate excess insurance, or any other form of additional security necessary to demonstrate the public corporation's ability to discharge all liabilities as provided in subsection (3)(a). Subject to the 3% of taxable valuation limitation in subsection (3)(b)(i), a public corporation may issue bonds and notes to establish a fund sufficient to discharge liabilities for periods greater than 1 year.

(4) All money in the fund established under subsection (3)(a) not needed to meet immediate

expenditures must be invested by the governing body of the public corporation or the joint board created by two or more public corporations as provided in subsection (3)(b)(iii), and all proceeds of the investment must be credited to the fund.

(5) The provisions of subsection (1) do not apply to the Montana university system.

(6) As used in subsections (2) through (4), "public corporation" includes the Montana university system."

~~Section 147. Section 40-4-215, MCA, is amended to read:~~

~~"40-4-215. Investigations and reports. (1) If a parent or a court-appointed third party requests, or if the court finds that a parenting proceeding is contested, the court may order an investigation and report concerning parenting arrangements for the child. The investigator may be the child's guardian ad litem or other professional considered appropriate by the court. The department of public health and human services may not be ordered to conduct the investigation or draft a report unless the person requesting the investigation is a recipient of cash assistance under the temporary assistance for needy families block grant, FAIM financial assistance, as defined in 53-2-902, food stamps, or public assistance and all reasonable options for payment of the investigation, if conducted by a person not employed by the department, are exhausted. The department may consult with any investigator and share information relevant to the child's best interests. The cost of the investigation and report must be paid according to the final order. The cost of the educational evaluation under subsection (2)(a) must be paid from the fees for filing petitions for contested amendment of a parenting plan, as provided in 25-1-201(9).~~

~~(2) The court shall determine, if appropriate, the level of evaluation necessary for adequate investigation and preparation of the report, which may include one or more of the following:~~

~~(a) parenting education;~~

~~(b) mediation pursuant to 40-4-301;~~

~~(c) factfinding by the investigator; and~~

~~(d) psychological evaluation of the parties.~~

~~(3) In preparing a report concerning a child, the investigator may consult any person who has information about the child and the child's potential parenting arrangements. Upon order of the court, the investigator may refer the child to professional personnel for diagnosis. Except as required for children 16 years of age or older, the investigator may consult with and obtain information from medical, psychiatric,~~

~~or other expert persons who have served the child in the past without obtaining the consent of the persons or entities authorized by law to grant or withhold access to the records. The child's consent must be obtained if the child has reached the age of 16 years of age unless the court finds that the child lacks mental capacity to consent. If the requirements of subsection (4) are fulfilled, the investigator's report may be received in evidence at the hearing.~~

~~———— (4) The court shall mail the investigator's report to counsel and to any party not represented by counsel at least 10 days prior to the hearing. When consistent with state and federal law, the investigator shall make available to counsel and to any party not represented by counsel the investigator's file of underlying data and reports, complete texts of diagnostic reports made to the investigator pursuant to the provisions of subsection (3), and the names and addresses of all persons whom the investigator has consulted. Any party to the proceeding may call the investigator and any person the investigator has consulted for cross-examination. A party may not waive the right of cross-examination prior to the hearing. The results of the investigation must be included in the court record and may, without objection, be sealed."~~

**SECTION 146. SECTION 40-4-215, MCA, IS AMENDED TO READ:**

**"40-4-215. Investigations and reports.** (1) If a parent or a court-appointed third party requests, or if the court finds that a parenting proceeding is contested, the court may order an investigation and report concerning parenting arrangements for the child. The investigator may be the child's guardian ad litem or other professional considered appropriate by the court. The department of public health and human services may not be ordered to conduct the investigation or draft a report unless the person requesting the investigation is a recipient of cash assistance under the temporary assistance for needy families block grant, FAIM financial assistance, as defined in 53-2-902, food stamps, or public assistance and all reasonable options for payment of the investigation, if conducted by a person not employed by the department, are exhausted. The department may consult with any investigator and share information relevant to the child's best interests. The cost of the investigation and report must be paid according to the final order. ~~The cost of the educational evaluation under subsection (2)(a) must be paid from the fees for filing petitions for contested amendment of a parenting plan, as provided in 25-1-201(9).~~

(2) The court shall determine, if appropriate, the level of evaluation necessary for adequate investigation and preparation of the report, which may include one or more of the following:

- 1 (a) parenting education;
- 2 (b) mediation pursuant to 40-4-301;
- 3 (c) factfinding by the investigator; and
- 4 (d) psychological evaluation of the parties.

5 (3) In preparing a report concerning a child, the investigator may consult any person who has  
6 information about the child and the child's potential parenting arrangements. Upon order of the court, the  
7 investigator may refer the child to professional personnel for diagnosis. Except as required for children 16  
8 years of age or older, the investigator may consult with and obtain information from medical, psychiatric,  
9 or other expert persons who have served the child in the past without obtaining the consent of the persons  
10 or entities authorized by law to grant or withhold access to the records. The child's consent must be  
11 obtained if the child has reached ~~the age of 16~~ years of age unless the court finds that the child lacks  
12 mental capacity to consent. If the requirements of subsection (4) are fulfilled, the investigator's report may  
13 be received in evidence at the hearing.

14 (4) The court shall mail the investigator's report to counsel and to any party not represented by  
15 counsel at least 10 days prior to the hearing. When consistent with state and federal law, the investigator  
16 shall make available to counsel and to any party not represented by counsel the investigator's file of  
17 underlying data and reports, complete texts of diagnostic reports made to the investigator pursuant to the  
18 provisions of subsection (3), and the names and addresses of all persons whom the investigator has  
19 consulted. Any party to the proceeding may call the investigator and any person the investigator has  
20 consulted for cross-examination. A party may not waive the right of cross-examination prior to the hearing.  
21 The results of the investigation must be included in the court record and may, without objection, be  
22 sealed."

23  
24 ~~Section 148. Section 40-4-226, MCA, is amended to read:~~

25 ~~"40-4-226. Court-sanctioned educational program on effects of dissolution of marriage on~~  
26 ~~children. (1) In a proceeding for dissolution of marriage involving a minor child or in a parenting plan~~  
27 ~~proceeding involving a minor child, a court shall inform the parties, excluding the minor child, of available~~  
28 ~~educational programs concerning the effects of dissolution of marriage on children and, if the court finds~~  
29 ~~that it would be in the best interest of the minor child, shall order the parties to attend a court-sanctioned~~  
30 ~~program. The program may be divided into sessions. The program must be educational in nature and may~~

1 ~~not be designed for individual therapy.~~

2 ~~—— (2) The cost of implementing the court-sanctioned educational program for each district court,~~  
3 ~~provided for in subsection (1), must be paid from the fees for filing petitions for contested amendment of~~  
4 ~~a parenting plan, provided for in 25-1-201(9). Costs may include parenting evaluation and guardian ad~~  
5 ~~litem services."~~

6

7 **SECTION 147. SECTION 40-4-226, MCA, IS AMENDED TO READ:**

8 **"40-4-226. Court-sanctioned educational program on effects of dissolution of marriage on**  
9 **children.** (1) In a proceeding for dissolution of marriage involving a minor child or in a parenting plan  
10 proceeding involving a minor child, a court shall inform the parties, excluding the minor child, of available  
11 educational programs concerning the effects of dissolution of marriage on children and, if the court finds  
12 that it would be in the best interest of the minor child, shall order the parties to attend a court-sanctioned  
13 program. The program may be divided into sessions. The program must be educational in nature and may  
14 not be designed for individual therapy.

15 (2) The cost of ~~implementing~~ the court-sanctioned educational program for each district court,  
16 provided for in subsection (1), ~~must be paid from the fees for filing petitions for contested amendment of~~  
17 ~~a parenting plan, provided for in 25-1-201(9). Costs may include parenting evaluation and guardian ad~~  
18 ~~litem services."~~

19

20 ~~—— **Section 149.** Section 41-3-1122, MCA, is amended to read:~~

21 ~~—— **"41-3-1122. Payment for support of youth in need of care, youth in need of intervention, or**~~  
22 ~~**delinquent youth -- reimbursement by county.** (1) Whenever a youth who is a youth in need of care, a~~  
23 ~~youth in need of intervention, or a delinquent youth is placed by the department of public health and~~  
24 ~~human services or the department of corrections in a youth care facility, the department making the~~  
25 ~~placement shall pay, within the limits of the appropriation for that purpose, a foster care payment to the~~  
26 ~~youth care facility at a rate established by the department of public health and human services for the~~  
27 ~~youth's board, clothing, personal needs, treatment, and room.~~

28 ~~—— (2) On or before the 20th of each month, the department of public health and human services or~~  
29 ~~the department of corrections shall present a claim to the county of residence of the youth for no more~~  
30 ~~than one-half of the nonfederal share of the payments made during the month. The county shall make~~

1 reimbursement to the department within 20 days after the claim is presented.

2 ~~—— (3) Except as provided in subsection (4), when a county's level of expenditure for any year~~  
3 ~~reaches the level of reimbursement for foster care in fiscal year 1987, the county has no further obligation~~  
4 ~~for foster care expenditures.~~

5 ~~—— (4) If a county's level of expenditure for foster care in fiscal year 1987 was \$10,000 or less, the~~  
6 ~~county's level of expenditure for purposes of determining the county's reimbursement specified in~~  
7 ~~subsection (3) is the level of expenditures for fiscal year 1987 or the average of expenditures for fiscal~~  
8 ~~years 1984 through 1987, whichever is less.~~

9 ~~—— (5) A county that was state-assumed prior to 1987 but that at a later date reassumes~~  
10 ~~responsibility pursuant to 53-2-811 is responsible for reimbursement of foster care expenditures up to the~~  
11 ~~county's calculated level of expenditures for fiscal year 1987 as if the county had not been state-assumed.~~

12 ~~—— (6)(2) The department shall conduct or arrange for the review required under 41-3-1115, or, when~~  
13 ~~applicable, under 41-3-1010 of a youth placed in a youth care facility if the youth is placed by the~~  
14 ~~department."~~

15

16 **SECTION 148. SECTION 41-3-1122, MCA, IS AMENDED TO READ:**

17 **"41-3-1122. Payment for support of youth in need of care, youth in need of intervention, or**  
18 **delinquent youth --reimbursement by county.** (1) Whenever a youth who is a youth in need of care, a  
19 youth in need of intervention, or a delinquent youth is placed by the department of public health and  
20 human services or the department of corrections in a youth care facility, the department making the  
21 placement shall pay, within the limits of the appropriation for that purpose, a foster care payment to the  
22 youth care facility at a rate established by the department of public health and human services for the  
23 youth's board, clothing, personal needs, treatment, and room.

24 ~~(2) On or before the 20th of each month, the department of public health and human services or~~  
25 ~~the department of corrections shall present a claim to the county of residence of the youth for no more~~  
26 ~~than one-half of the nonfederal share of the payments made during the month. The county shall make~~  
27 ~~reimbursement to the department within 20 days after the claim is presented.~~

28 ~~—— (3) Except as provided in subsection (4), when a county's level of expenditure for any year~~  
29 ~~reaches the level of reimbursement for foster care in fiscal year 1987, the county has no further obligation~~  
30 ~~for foster care expenditures.~~



~~(4) If a county's level of expenditure for foster care in fiscal year 1987 was \$10,000 or less, the county's level of expenditure for purposes of determining the county's reimbursement specified in subsection (3) is the level of expenditures for fiscal year 1987 or the average of expenditures for fiscal years 1984 through 1987, whichever is less.~~

~~(5) A county that was state-assumed prior to 1987 but that at a later date reassumes responsibility pursuant to 53-2-811 is responsible for reimbursement of foster care expenditures up to the county's calculated level of expenditures for fiscal year 1987 as if the county had not been state-assumed.~~

~~(6)(2) The department shall conduct or arrange for the review required under 41-3-1115; or, when applicable, under 41-3-1010 of a youth placed in a youth care facility if the youth is placed by the department."~~

~~**Section 150.** Section 42-2-105, MCA, is amended to read:~~

~~**"42-2-105. Fees for services -- special revenue account -- statutory appropriation.** (1) The department shall establish fees that it may charge and that are reasonably related to the cost incurred by the department in completing or contracting for adoption services.~~

~~(2) The department may contract with licensed social workers or licensed child-placing agencies for the purposes of completing the preplacement or postplacement evaluation or for providing postplacement supervision.~~

~~(3) An agency contracting to perform the services may set and charge a reasonable fee commensurate with the services provided.~~

~~(4) There is an adoption services account in the state special revenue fund. The fees collected by the department under this title and from the district court filing fee pursuant to 25-1-201(1)(q) AND FROM THE DISTRICT COURT FILING FEE PURSUANT TO 25-1-201(5) must be deposited into this account and may be used by the department for adoption services. The money in the account is statutorily appropriated, as provided in 17-7-502, to the department."~~

**SECTION 149. SECTION 42-2-105, MCA, IS AMENDED TO READ:**

**"42-2-105. Fees for services -- special revenue account -- statutory appropriation.** (1) The department shall establish fees that it may charge and that are reasonably related to the cost incurred by the department in completing or contracting for adoption services.

(2) The department may contract with licensed social workers or licensed child-placing agencies for the purposes of completing the preplacement or postplacement evaluation or for providing postplacement supervision.

(3) An agency contracting to perform the services may set and charge a reasonable fee commensurate with the services provided.

(4) There is an adoption services account in the state special revenue fund. The fees collected by the department under this title ~~and from the district court filing fee pursuant to 25-1-201(1)(g)~~ must be deposited into this account and may be used by the department for adoption services. The money in the account is statutorily appropriated, as provided in 17-7-502, to the department."

**Section 150.** Section 50-2-111, MCA, is amended to read:

**"50-2-111. City-county board appropriations.** If a city-county board is created, it is financed by one of the following methods:

(1) (a) The county commissioners and governing body of each participating city may mutually agree upon the division of expenses.

(b) The county's part of the total expenses is financed by an appropriation from the general fund of the county after approval of a budget in the way provided for other county offices and departments under Title 7, chapter 6, part 23.

(c) Each participating city's part of the total expenses is financed by an appropriation from the general fund of the city after approval of a budget in the way provided for other city offices and departments under Title 7, chapter 6, part 42.

(d) All money must be deposited with the county treasurer who shall disburse the money as county funds.

(2) (a) The county commissioners and governing body of each participating city may mutually agree upon the division of the expenses.

(b) Subject to 15-10-420, the county's part of the total expenses is financed by a ~~special~~ levy of ~~not more than 5 mills~~ on the taxable ~~valuation~~ value of all taxable property outside the incorporated limits of each participating city after approval of a budget in the way provided for other county offices and departments under Title 7, chapter 6, part 23. If the ~~5-mill~~ levy is not sufficient to fund the county's share, the county commissioners may supplement it with an appropriation from the county general fund.

(c) Subject to 15-10-420, each participating city's part of the total expenses is financed by a special levy of not more than 5 mills on the taxable valuation of all taxable property within the incorporated limits of the city after approval of a budget in the way provided for other city offices and departments under Title 7, chapter 6, part 42.

(d) All money must be deposited with the county treasurer who shall disburse the money as county funds.

(e) The special levies authorized by this subsection (2) are in addition to all other levies authorized by law."

**Section 151.** Section 50-2-114, MCA, is amended to read:

**"50-2-114. Special mill Mill levy.** Subject to 15-10-420, if the general fund of a city or county is not sufficient to meet the approved budget, a levy of not more than 1 mill may be made on the taxable valuation value of all taxable property in the city or county in addition to all other levies authorized by law. This section does not apply when the board has been financed under 50-2-111(2)."

~~**Section 153.** Section 52-6-105, MCA, is amended to read:~~

~~**"52-6-105. Funding.** (1) Revenue from the marriage license fee and the fee collected for filing a declaration of marriage without solemnization is the primary source of funding for the battered spouses and domestic violence program. The disposition of the marriage license fee is as established in 25-1-201. (2) Twenty percent of the operational costs of a battered spouses and domestic violence program must come from the local community served by the program. The local contribution may include in-kind contributions."~~

**SECTION 152.** SECTION 52-6-105, MCA, IS AMENDED TO READ:

**"52-6-105. Funding.** (1) Revenue from the marriage license fee and the fee collected for filing a declaration of marriage without solemnization is the primary source of funding for the battered spouses and domestic violence program. The disposition of the marriage license fee is as established in 25-1-201. (2) Twenty percent of the operational costs of a battered spouses and domestic violence program must come from the local community served by the program. The local contribution may include in-kind contributions."

1

2 ~~Section 154.~~ Section 53-2-207, MCA, is amended to read:

3 ~~"53-2-207. Power of department in administering state and federal funds.~~ In administering or  
4 supervising any state or federal funds appropriated or made available to the department for public  
5 assistance purposes, the department has the authority to:

6 ~~(1) require the county to bear the proportion of the total of local public assistance as is fixed by~~  
7 ~~law relating to the assistance;~~

8 ~~(2)(1) make use of all legal processes to enforce the standards prescribed for public assistance~~  
9 ~~purposes by the department; and~~

10 ~~(3)(2) require that each part of the public assistance laws be in effect in all counties of the state."~~

11

12 SECTION 153. SECTION 53-2-207, MCA, IS AMENDED TO READ:

13 "53-2-207. Power of department in administering state and federal funds. In administering or  
14 supervising any state or federal funds appropriated or made available to the department for public  
15 assistance purposes, the department has the authority to:

16 (1) ~~require the county to bear the proportion of the total of local public assistance as is fixed by~~  
17 ~~law relating to the assistance;~~

18 (2)(1) make use of all legal processes to enforce the standards prescribed for public assistance  
19 purposes by the department; and

20 (3)(2) require that each part of the public assistance laws be in effect in all counties of the state."

21

22 SECTION 155. SECTION 53-2-301, MCA, IS AMENDED TO READ:

23 ~~"53-2-301. County departments offices of public assistance to be established.~~ There shall must  
24 ~~be established in each county of the state, except in a county that has transferred its public assistance~~  
25 ~~and protective services responsibilities to the state under the provisions of part 8 of this chapter, a county~~  
26 ~~department of public welfare, which shall consist of a county board of public welfare and such staff~~  
27 ~~personnel as may be necessary for the efficient performance of the one or more local offices of public~~  
28 ~~assistance activities of the county. If conditions warrant and if two or more county boards enter into an~~  
29 ~~agreement, two or more counties may combine be combined into one administrative unit and the~~  
30 ~~department may use the same local office of public assistance and staff personnel throughout the~~

1 ~~administrative unit to administer public assistance in the combined counties."~~

2

3 **SECTION 154.** ~~SECTION 53-2-301, MCA, IS AMENDED TO READ:~~

4 **"53-2-301. County ~~departments~~ offices of public assistance to be established.** There shall ~~must~~  
5 be established in each county of the state, ~~except in a county that has transferred its public assistance~~  
6 ~~and protective services responsibilities to the state under the provisions of part 8 of this chapter, a county~~  
7 ~~department of public welfare, which shall consist of a county board of public welfare and such staff~~  
8 ~~personnel as may be necessary for the efficient performance of the~~ one or more local offices of public  
9 assistance ~~activities of the county~~. If conditions warrant ~~and if two or more county boards enter into an~~  
10 ~~agreement, two or more counties may combine~~ be combined into one administrative unit and the  
11 department may use the same local office of public assistance and ~~staff personnel throughout the~~  
12 ~~administrative unit to administer public assistance in the combined counties."~~

13

14 ~~Section 156.~~ ~~Section 53-2-304, MCA, is amended to read:~~

15 ~~Section 156.~~ **"53-2-304. (Temporary) Staff personnel of county department.** (1) Each county board shall select  
16 and appoint ~~from a list of qualified persons furnished by the department,~~ staff personnel that are ~~is~~  
17 necessary. ~~The staff personnel in each county must consist of at least one qualified staff worker or~~  
18 ~~investigator and clerks and stenographers that may be necessary. If conditions warrant, the county board,~~  
19 ~~with the approval of the department, may appoint some fully qualified person listed by the department as~~  
20 ~~supervisor of its staff personnel. The staff personnel of each county department are~~ is directly responsible  
21 to the county board, ~~but the department of public health and human services may supervise the county~~  
22 ~~employees in respect to the efficient and proper performance of their duties. The county board of public~~  
23 ~~welfare may not dismiss any member of the staff personnel without the approval of the department. The~~  
24 ~~department may request the county board to dismiss any member of the staff personnel for inefficiency,~~  
25 ~~incompetence, or similar cause. The final authority for dismissal is the county board. In counties where~~  
26 ~~the department has assumed the administration of welfare duties, the final authority for dismissal is the~~  
27 ~~director of the department.~~

28 ~~(2) The department shall pay from state public assistance funds the salaries of public assistance~~  
29 ~~staff personnel attached to a county board. The department shall also pay the travel expenses of those~~  
30 ~~personnel, as provided in 2-18-501 through 2-18-503, when those personnel are away from the county~~

1 ~~seat in the performance of their duties. However, the county board shall reimburse the department from~~  
2 ~~county poor funds for those salaries, travel expenses, and indirect costs and for the department's~~  
3 ~~administrative costs allocated by the department to the county for the administration of county welfare~~  
4 ~~programs, as follows:~~

5 ~~—— (a) The county board shall reimburse the department 50% of all salaries, travel expenses, and~~  
6 ~~allocated direct and indirect administrative costs attributable to cash assistance and emergency assistance~~  
7 ~~programs created pursuant to Title 53, chapter 4. However, a county is not required to reimburse the~~  
8 ~~department more for the salaries, travel expenses, indirect costs, and allocated administrative costs for~~  
9 ~~1 state fiscal year than the dollar amount that the county paid as its share of cash assistance and~~  
10 ~~emergency assistance programs in 1996.~~

11 ~~—— (b) The county board shall reimburse the department the full amount of salaries, travel expenses,~~  
12 ~~and allocated direct and indirect administrative costs attributable to any public assistance program other~~  
13 ~~than the cash assistance and emergency assistance programs created pursuant to Title 53, chapter 4, not~~  
14 ~~reimbursed to the department by the federal government.~~

15 ~~—— (3) All administrative costs of the county department of public welfare other than the costs~~  
16 ~~described in subsections (2)(a) and (2)(b) must be paid from county poor funds.~~

17 ~~—— (4) On or before the 20th day of the month following the month for which the payments to the~~  
18 ~~public assistance staff personnel of the county were made, the department shall present to the county~~  
19 ~~department of public welfare a claim for the required reimbursements. The county board shall make~~  
20 ~~reimbursements within 20 days after the presentation of the claim, and the department of public health~~  
21 ~~and human services shall credit all reimbursements to its account for administrative costs.~~

22 ~~—— (5)(2) If a county has transferred its public assistance and protective services responsibilities to~~  
23 ~~the state under part 8 of this chapter, the THE department shall select, appoint, and supervise all necessary~~  
24 ~~public assistance and protective services personnel staff, including if necessary a supervisor of staff~~  
25 ~~personnel. All personnel are directly responsible to the department. (Terminates June 30, 2001--sec. 6,~~  
26 ~~Ch. 341, L. 1999.)~~

27 ~~—— **53-2-304. (Effective July 1, 2001) Staff personnel of county department.** (1) Each county board~~  
28 ~~shall select and appoint, from a list of qualified persons furnished by the department, of public health and~~  
29 ~~human services staff personnel that are is necessary. The staff personnel in each county must consist of~~  
30 ~~at least one qualified staff worker or investigator and clerks and stenographers that may be necessary. If~~

1 ~~conditions warrant, the county board, with the approval of the department of public health and human~~  
2 ~~services, may appoint some fully qualified person listed by the department as supervisor of its staff~~  
3 ~~personnel. The staff personnel of each county department are is directly responsible to the county board,~~  
4 ~~but the department of public health and human services may supervise the county employees in respect~~  
5 ~~to the efficient and proper performance of their duties. The county board of public welfare may not dismiss~~  
6 ~~any member of the staff personnel without the approval of the department of public health and human~~  
7 ~~services. The department may request the county board to dismiss any member of the staff personnel for~~  
8 ~~inefficiency, incompetence, or similar cause. The final authority for dismissal is the county board. In~~  
9 ~~counties where the department has assumed the administration of welfare duties, the final authority for~~  
10 ~~dismissal is the director of the department.~~

11 ~~———(2) Public assistance staff personnel attached to the county board must be paid from state public~~  
12 ~~assistance funds both their salaries and their travel expenses as provided for in 2-18-501 through~~  
13 ~~2-18-503 when away from the county seat in the performance of their duties, but the county board of~~  
14 ~~public welfare shall reimburse the department of public health and human services from county poor funds~~  
15 ~~the full amount of the salaries and travel expenses not reimbursed to the department by the federal~~  
16 ~~government and the full amount of the department's administrative costs that are allocated by the~~  
17 ~~department to the county for the administration of county welfare programs and not reimbursed to the~~  
18 ~~department by the federal government. Under circumstances prescribed by the department of public health~~  
19 ~~and human services, the reimbursement by the county board of public welfare may be less than the county~~  
20 ~~share as prescribed in this subsection. All other administrative costs of the county department must be~~  
21 ~~paid from county poor funds.~~

22 ~~———(3) On or before the 20th day of the month following the month for which the payments to the~~  
23 ~~public assistance staff personnel of the county were made, the department of public health and human~~  
24 ~~services shall present to the county department of public welfare a claim for the required reimbursements.~~  
25 ~~The county board shall make reimbursements within 20 days after the presentation of the claim, and the~~  
26 ~~department of public health and human services shall credit all reimbursements to its account for~~  
27 ~~administrative costs.~~

28 ~~———(4)(2) If a county has transferred its public assistance and protective services responsibilities to~~  
29 ~~the state under part 8 of this chapter, the THE department shall select, appoint, and supervise all necessary~~  
30 ~~public assistance and protective services personnel staff, including if necessary a supervisor of staff~~

1 personnel. ~~All personnel are directly responsible to the department.~~"

2

3 **SECTION 155.** SECTION 53-2-304, MCA, IS AMENDED TO READ:

4 **"53-2-304. (Temporary) Staff personnel of county department.** (1) Each county board shall select  
5 and appoint, from a list of qualified persons furnished by the department, staff personnel that are is  
6 necessary. The staff personnel in each county must consist of at least one qualified staff worker or  
7 investigator and clerks and stenographers that may be necessary. If conditions warrant, the county board,  
8 with the approval of the department, may appoint some fully qualified person listed by the department as  
9 supervisor of its staff personnel. The staff personnel of each county department are is directly responsible  
10 to the county board, but the department of public health and human services may supervise the county  
11 employees in respect to the efficient and proper performance of their duties. The county board of public  
12 welfare may not dismiss any member of the staff personnel without the approval of the department. The  
13 department may request the county board to dismiss any member of the staff personnel for inefficiency,  
14 incompetence, or similar cause. The final authority for dismissal is the county board. In counties where  
15 the department has assumed the administration of welfare duties, the final authority for dismissal is the  
16 director of the department.

17 ~~(2) The department shall pay from state public assistance funds the salaries of public assistance~~  
18 ~~staff personnel attached to a county board. The department shall also pay the travel expenses of those~~  
19 ~~personnel, as provided in 2-18-501 through 2-18-503, when those personnel are away from the county~~  
20 ~~seat in the performance of their duties. However, the county board shall reimburse the department from~~  
21 ~~county poor funds for those salaries, travel expenses, and indirect costs and for the department's~~  
22 ~~administrative costs allocated by the department to the county for the administration of county welfare~~  
23 ~~programs, as follows:~~

24 ~~—— (a) The county board shall reimburse the department 50% of all salaries, travel expenses, and~~  
25 ~~allocated direct and indirect administrative costs attributable to cash assistance and emergency assistance~~  
26 ~~programs created pursuant to Title 53, chapter 4. However, a county is not required to reimburse the~~  
27 ~~department more for the salaries, travel expenses, indirect costs, and allocated administrative costs for~~  
28 ~~1 state fiscal year than the dollar amount that the county paid as its share of cash assistance and~~  
29 ~~emergency assistance programs in 1996.~~

30 ~~—— (b) The county board shall reimburse the department the full amount of salaries, travel expenses,~~



1 ~~and allocated direct and indirect administrative costs attributable to any public assistance program other~~  
2 ~~than the cash assistance and emergency assistance programs created pursuant to Title 53, chapter 4, not~~  
3 ~~reimbursed to the department by the federal government.~~

4 ~~—— (3) All administrative costs of the county department of public welfare other than the costs~~  
5 ~~described in subsections (2)(a) and (2)(b) must be paid from county poor funds.~~

6 ~~—— (4) On or before the 20th day of the month following the month for which the payments to the~~  
7 ~~public assistance staff personnel of the county were made, the department shall present to the county~~  
8 ~~department of public welfare a claim for the required reimbursements. The county board shall make~~  
9 ~~reimbursements within 20 days after the presentation of the claim, and the department of public health~~  
10 ~~and human services shall credit all reimbursements to its account for administrative costs.~~

11 ~~(5)(2) If a county has transferred its public assistance and protective services responsibilities to~~  
12 ~~the state under part 8 of this chapter, the~~ The ~~department shall select, appoint, and supervise all necessary~~  
13 ~~public assistance and protective services~~ personnel staff, including if necessary a supervisor of staff  
14 ~~personnel. All personnel are directly responsible to the department. (Terminates June 30, 2001--sec. 6,~~  
15 ~~Ch. 341, L. 1999.)~~

16 **53-2-304. (Effective July 1, 2001) Staff personnel of county department.** (1) Each county board  
17 shall select and appoint, from a list of qualified persons furnished by the department, ~~of public health and~~  
18 ~~human services~~ staff ~~personnel~~ that ~~are~~ is necessary. The staff ~~personnel~~ in each county must consist of  
19 at least one qualified staff worker or investigator and clerks and stenographers that may be necessary. If  
20 conditions warrant, the county board, with the approval of the department ~~of public health and human~~  
21 ~~services~~, may appoint some fully qualified person listed by the department as supervisor of its staff  
22 ~~personnel~~. The staff ~~personnel~~ of each county department ~~are~~ is directly responsible to the county board,  
23 but the department ~~of public health and human services~~ may supervise the county employees in respect  
24 to the efficient and proper performance of their duties. The county board of public welfare may not dismiss  
25 any member of the staff ~~personnel~~ without the approval of the department ~~of public health and human~~  
26 ~~services~~. The department may request the county board to dismiss any member of the staff ~~personnel~~ for  
27 inefficiency, incompetence, or similar cause. The final authority for dismissal is the county board. In  
28 counties where the department has assumed the administration of welfare duties, the final authority for  
29 dismissal is the director of the department.

30 ~~(2) Public assistance staff personnel attached to the county board must be paid from state public~~

~~assistance funds both their salaries and their travel expenses as provided for in 2-18-501 through 2-18-503 when away from the county seat in the performance of their duties, but the county board of public welfare shall reimburse the department of public health and human services from county poor funds the full amount of the salaries and travel expenses not reimbursed to the department by the federal government and the full amount of the department's administrative costs that are allocated by the department to the county for the administration of county welfare programs and not reimbursed to the department by the federal government. Under circumstances prescribed by the department of public health and human services, the reimbursement by the county board of public welfare may be less than the county share as prescribed in this subsection. All other administrative costs of the county department must be paid from county poor funds.~~

~~——— (3) On or before the 20th day of the month following the month for which the payments to the public assistance staff personnel of the county were made, the department of public health and human services shall present to the county department of public welfare a claim for the required reimbursements. The county board shall make reimbursements within 20 days after the presentation of the claim, and the department of public health and human services shall credit all reimbursements to its account for administrative costs.~~

~~(4)(2) If a county has transferred its public assistance and protective services responsibilities to the state under part 8 of this chapter, the~~ The ~~department shall select, appoint, and supervise all necessary public assistance and protective services personnel staff, including if necessary a supervisor of staff personnel. All personnel are directly responsible to the department."~~

~~——— **Section 174.** Section 53-2-801, MCA, is amended to read:~~

~~——— "**53-2-801. Purpose.** The purpose of this part is to provide for the department of public health and human services to assume all responsibilities for public assistance programs and for protective services for children and adults that, as of July 1, 1983, are provided by the counties pursuant to Titles 41 and 53. The assumption may become effective only at the option and with the express consent of each individual county requesting state assumption. State assumption allows counties to pay the state the proceeds from the 9-mill levy provided for in 53-2-813 rather than an amount based on the actual cost of providing public assistance and protective services in the county. Counties that opt for state assumption may provide other optional services for indigents with money available from funds derived from the~~

1 difference between the 9-mill levy and the maximum amount of 13.5 mills permitted by 53-2-322.  
2 ~~Counties may opt to provide other services for indigents using money available from funds derived from~~  
3 ~~a mill levy or other sources."~~

4

5 ~~SECTION 157. SECTION 53-2-612, MCA, IS AMENDED TO READ:~~

6 ~~"53-2-612. Lien of department or county upon third-party recoveries. (1) Upon notice by the~~  
7 ~~department, a county, or the recipient to a third party or the third party's insurer as provided in subsection~~  
8 ~~(5)(b), the department or county has a lien upon all money paid by a third party or the third party's insurer~~  
9 ~~in satisfaction of a judgment or settlement arising from a recipient's claim for damages or compensation~~  
10 ~~for personal injury, disease, illness, or disability to the extent that the department or county has paid~~  
11 ~~medical assistance on behalf of the recipient for the same personal injury, disease, illness, or disability.~~

12 ~~(2) The department or county may, in the name of the recipient on whose behalf medical~~  
13 ~~assistance has been paid by the department or county, commence and prosecute to final conclusion any~~  
14 ~~action that may be necessary to recover from a third party or the third party's insurer compensation or~~  
15 ~~damages for medical assistance paid by the department or county on behalf of the recipient. This section~~  
16 ~~does not affect the right of the recipient to initiate and prosecute to final conclusion an action for damages~~  
17 ~~or compensation in the recipient's own name in accordance with the provisions of this section.~~

18 ~~(3) (a) The lien:~~

19 ~~(i) applies to all money paid by a third party or a third party's insurer regardless of whether the~~  
20 ~~recovery is allocated by the parties or a court to any particular type or element of damages; and~~

21 ~~(ii) is subordinate to the lien of an attorney under 37-61-420.~~

22 ~~(b) Unless specifically provided by law, the recipient's right to recover damages or compensation~~  
23 ~~from a third party or a third party's insurer may not be reduced or denied on the ground that the recipient's~~  
24 ~~costs of medical treatment and medical-related services have been paid by the department or county under~~  
25 ~~any public assistance program.~~

26 ~~(c) From the amount collected by the department, county, or recipient from legal proceedings or~~  
27 ~~as a result of settlement, reasonable attorney fees and costs must be first deducted and paid. Unless the~~  
28 ~~department or county and the recipient agree to a different settlement, the amount previously paid as~~  
29 ~~medical assistance by the department or county, less a pro rata share of attorney fees and costs, must~~  
30 ~~be deducted next and paid to the department or county. The remainder, if any, must be paid to the~~

1 recipient.

2 ~~—— (d) In all cases of payment to the department or county out of an amount collected from a third~~  
3 ~~party or insurer on a recipient's claim, the amount of the lien must be reduced by a pro rata share of~~  
4 ~~attorney fees and costs as provided in subsection (3)(c), but the department or county may not be required~~  
5 ~~to participate in payment of attorney fees and costs unless the recipient's claim results in recovery out of~~  
6 ~~which the department or county receives full or partial payment of its lien.~~

7 ~~—— (e) Except as provided in subsections (3)(e)(i) and (3)(e)(ii), the department may not impose a lien~~  
8 ~~under this section upon a self-sufficiency trust established pursuant to Title 53, chapter 18, part 1, or~~  
9 ~~upon the assets of a self-sufficiency trust established pursuant to Title 53, chapter 18, part 1.~~

10 ~~—— (i) The department may impose a lien under this section upon a self-sufficiency trust or upon the~~  
11 ~~assets of a self-sufficiency trust established pursuant to Title 53, chapter 18, part 1, if the department~~  
12 ~~is required by federal law to recover or collect from the trust or its assets as a condition of receiving~~  
13 ~~federal financial participation for the medicaid program.~~

14 ~~—— (ii) To the extent otherwise permitted by this section, the department is not precluded from~~  
15 ~~asserting a claim or imposing a lien upon real or personal property prior to transfer of the property to the~~  
16 ~~trust. If the department imposes a lien upon property prior to transfer to a self-sufficiency trust, any~~  
17 ~~transfer of the property to the trust is subject to the lien.~~

18 ~~—— (4) (a) A recipient of medical assistance or the recipient's legal representative shall notify the~~  
19 ~~department or county by certified letter within 30 days if the recipient or the recipient's legal~~  
20 ~~representative asserts a claim against a third party or a third party's insurer for damages or compensation~~  
21 ~~for a personal injury, disease, illness, or disability for which the department or county paid medical~~  
22 ~~assistance in whole or in part or for which the recipient has applied for medical assistance. The notice~~  
23 ~~must be mailed to the director of the department or the director of the county department that paid~~  
24 ~~medical assistance. At the same time, a copy must be sent by certified mail to the third party or the third~~  
25 ~~party's insurer.~~

26 ~~—— (b) The notice must contain the following information:~~

27 ~~—— (i) the name and address of the recipient and the recipient's legal representative, if any;~~

28 ~~—— (ii) the name and address of the third party alleged to be liable to the recipient;~~

29 ~~—— (iii) the name and address of any known insurer of the third party; and~~

30 ~~—— (iv) the judicial district and docket number of any action filed.~~

~~———— (c) A recipient or the recipient's legal representative who has received actual notice that the department or county has paid medical assistance is liable to the department or county for the amount it is entitled to receive under this section if:~~

~~———— (i) the recipient or the recipient's legal representative fails to timely notify the department or county or fails to mail a copy of the notice to the third party or the third party's insurer; and~~

~~———— (ii) a third party or the third party's insurer that did not receive notice from the department or county as provided for in subsection (5)(b) pays the recipient or the recipient's legal representative without satisfying any lien of the department or county.~~

~~———— (5) (a) If a third party or the third party's insurer that has received notice of the department's or county's lien as provided for in subsection (5)(b) makes payment in whole or in part of the recipient's claim without first satisfying the lien of the department or county, the third party or the third party's insurer is liable to the department or county for the amount the department or county is entitled to receive under this section.~~

~~———— (b) For the purposes of subsection (5)(a), a third party or the third party's insurer has been given notice if:~~

~~———— (i) the department or county mails, by certified mail, to the third party or the third party's insurer:~~

~~———— (A) a statement of the medical assistance paid or that may be paid by the department or county on behalf of the recipient; and~~

~~———— (B) a claim for reimbursement;~~

~~———— (ii) the recipient or the recipient's legal representative mails, by certified mail, to the third party or the third party's insurer:~~

~~———— (A) a copy of the notice required by subsection (4)(a); or~~

~~———— (B) a statement stating that the recipient has applied for or has received medical assistance from the department or county in connection with the same claim; or~~

~~———— (iii) the recipient or the recipient's legal representative has commenced an action against the third party or the third party's insurer for damages or compensation for personal injury, disease, illness, or disability for which the department or county has paid or may pay medical assistance, in whole or in part, and the department or county files in the court in which the action is pending a notice of lien stating that a lien is claimed for medical assistance on any money paid in satisfaction of any judgment in or settlement of the action and that:~~

~~1 (A) medical assistance in a stated amount has been paid by the department or county on behalf  
2 of the recipient; or~~

~~3 (B) medical assistance may be paid on behalf of the recipient.~~

~~4 (C) As used in this section, the following definitions apply:~~

~~5 (a) "County" means a county department of welfare in a county that has not transferred its public  
6 assistance responsibilities to the state under the provisions of Title 53, chapter 2, part 8 provided medical  
7 assistance to a recipient through an indigent assistance program operated at the option of the county.~~

~~8 (b) "Legal representative" means an attorney having or exercising authority on behalf of a recipient  
9 with respect to a claim or action to recover damages or compensation from a third party or a third party's  
10 insurer.~~

~~11 (c) "Recipient" means a person on whose behalf the department or a county has paid or may pay  
12 medical assistance for the cost of medical treatment and medical-related services for personal injury,  
13 disease, illness, or disability. If the context allows, the term includes a recipient's legal representative.~~

~~14 (d) "Third party" means an individual, institution, corporation, or public or private agency that is  
15 or may be liable to pay all or part of the cost of medical treatment and medical-related services for personal  
16 injury, disease, illness, or disability of a recipient of medical assistance from the department or a county  
17 and includes but is not limited to insurers, health service organizations, and parties liable or who may be  
18 liable in tort."~~

**SECTION 156. SECTION 53-2-612, MCA, IS AMENDED TO READ:**

**"53-2-612. Lien of department or county upon third-party recoveries.** (1) Upon notice by the  
department, a county, or the recipient to a third party or the third party's insurer as provided in subsection  
(5)(b), the department or county has a lien upon all money paid by a third party or the third party's insurer  
in satisfaction of a judgment or settlement arising from a recipient's claim for damages or compensation  
for personal injury, disease, illness, or disability to the extent that the department or county has paid  
medical assistance on behalf of the recipient for the same personal injury, disease, illness, or disability.

(2) The department or county may, in the name of the recipient on whose behalf medical  
assistance has been paid by the department or county, commence and prosecute to final conclusion any  
action that may be necessary to recover from a third party or the third party's insurer compensation or  
damages for medical assistance paid by the department or county on behalf of the recipient. This section

1 does not affect the right of the recipient to initiate and prosecute to final conclusion an action for damages  
2 or compensation in the recipient's own name in accordance with the provisions of this section.

3 (3) (a) The lien:

4 (i) applies to all money paid by a third party or a third party's insurer regardless of whether the  
5 recovery is allocated by the parties or a court to any particular type or element of damages; and

6 (ii) is subordinate to the lien of an attorney under 37-61-420.

7 (b) Unless specifically provided by law, the recipient's right to recover damages or compensation  
8 from a third party or a third party's insurer may not be reduced or denied on the ground that the recipient's  
9 costs of medical treatment and medical-related services have been paid by the department or county under  
10 any public assistance program.

11 (c) From the amount collected by the department, county, or recipient from legal proceedings or  
12 as a result of settlement, reasonable attorney fees and costs must be first deducted and paid. Unless the  
13 department or county and the recipient agree to a different settlement, the amount previously paid as  
14 medical assistance by the department or county, less a pro rata share of attorney fees and costs, must  
15 be deducted next and paid to the department or county. The remainder, if any, must be paid to the  
16 recipient.

17 (d) In all cases of payment to the department or county out of an amount collected from a third  
18 party or insurer on a recipient's claim, the amount of the lien must be reduced by a pro rata share of  
19 attorney fees and costs as provided in subsection (3)(c), but the department or county may not be required  
20 to participate in payment of attorney fees and costs unless the recipient's claim results in recovery out of  
21 which the department or county receives full or partial payment of its lien.

22 (e) Except as provided in subsections (3)(e)(i) and (3)(e)(ii), the department may not impose a lien  
23 under this section upon a self-sufficiency trust established pursuant to Title 53, chapter 18, part 1, or  
24 upon the assets of a self-sufficiency trust established pursuant to Title 53, chapter 18, part 1.

25 (i) The department may impose a lien under this section upon a self-sufficiency trust or upon the  
26 assets of a self-sufficiency trust established pursuant to Title 53, chapter 18, part 1, if the department  
27 is required by federal law to recover or collect from the trust or its assets as a condition of receiving  
28 federal financial participation for the medicaid program.

29 (ii) To the extent otherwise permitted by this section, the department is not precluded from  
30 asserting a claim or imposing a lien upon real or personal property prior to transfer of the property to the

1 trust. If the department imposes a lien upon property prior to transfer to a self-sufficiency trust, any  
2 transfer of the property to the trust is subject to the lien.

3 (4) (a) A recipient of medical assistance or the recipient's legal representative shall notify the  
4 department or county by certified letter within 30 days if the recipient or the recipient's legal  
5 representative asserts a claim against a third party or a third party's insurer for damages or compensation  
6 for a personal injury, disease, illness, or disability for which the department or county paid medical  
7 assistance in whole or in part or for which the recipient has applied for medical assistance. The notice  
8 must be mailed to the director of the department or the director of the county department that paid  
9 medical assistance. At the same time, a copy must be sent by certified mail to the third party or the third  
10 party's insurer.

11 (b) The notice must contain the following information:

12 (i) the name and address of the recipient and the recipient's legal representative, if any;

13 (ii) the name and address of the third party alleged to be liable to the recipient;

14 (iii) the name and address of any known insurer of the third party; and

15 (iv) the judicial district and docket number of any action filed.

16 (c) A recipient or the recipient's legal representative who has received actual notice that the  
17 department or county has paid medical assistance is liable to the department or county for the amount it  
18 is entitled to receive under this section if:

19 (i) the recipient or the recipient's legal representative fails to timely notify the department or  
20 county or fails to mail a copy of the notice to the third party or the third party's insurer; and

21 (ii) a third party or the third party's insurer that did not receive notice from the department or  
22 county as provided for in subsection (5)(b) pays the recipient or the recipient's legal representative without  
23 satisfying any lien of the department or county.

24 (5) (a) If a third party or the third party's insurer that has received notice of the department's or  
25 county's lien as provided for in subsection (5)(b) makes payment in whole or in part of the recipient's claim  
26 without first satisfying the lien of the department or county, the third party or the third party's insurer is  
27 liable to the department or county for the amount the department or county is entitled to receive under  
28 this section.

29 (b) For the purposes of subsection (5)(a), a third party or the third party's insurer has been given  
30 notice if:



(i) the department or county mails, by certified mail, to the third party or the third party's insurer:

(A) a statement of the medical assistance paid or that may be paid by the department or county on behalf of the recipient; and

(B) a claim for reimbursement;

(ii) the recipient or the recipient's legal representative mails, by certified mail, to the third party or the third party's insurer:

(A) a copy of the notice required by subsection (4)(a); or

(B) a statement stating that the recipient has applied for or has received medical assistance from the department or county in connection with the same claim; or

(iii) the recipient or the recipient's legal representative has commenced an action against the third party or the third party's insurer for damages or compensation for personal injury, disease, illness, or disability for which the department or county has paid or may pay medical assistance, in whole or in part, and the department or county files in the court in which the action is pending a notice of lien stating that a lien is claimed for medical assistance on any money paid in satisfaction of any judgment in or settlement of the action and that:

(A) medical assistance in a stated amount has been paid by the department or county on behalf of the recipient; or

(B) medical assistance may be paid on behalf of the recipient.

(6) As used in this section, the following definitions apply:

(a) "County" means a county ~~department of welfare in a county that has not transferred its public assistance responsibilities to the state under the provisions of Title 53, chapter 2, part 8~~ provided medical assistance to a recipient through an indigent assistance program operated at the option of the county.

(b) "Legal representative" means an attorney having or exercising authority on behalf of a recipient with respect to a claim or action to recover damages or compensation from a third party or a third party's insurer.

(c) "Recipient" means a person on whose behalf the department or a county has paid or may pay medical assistance for the cost of medical treatment and medical-related services for personal injury, disease, illness, or disability. If the context allows, the term includes a recipient's legal representative.

(d) "Third party" means an individual, institution, corporation, or public or private agency that is or may be liable to pay all or part of the cost of medical treatment and medical-related services for personal

injury, disease, illness, or disability of a recipient of medical assistance from the department or a county and includes but is not limited to insurers, health service organizations, and parties liable or who may be liable in tort."

~~Section 158. Section 53-3-115, MCA, is amended to read:~~

~~"53-3-115. Legislative findings. (1) The legislature finds that in order to use the limited resources of the state for the purposes of providing public assistance to persons whom it has determined are in need, certain programs must be eliminated and the provision of public assistance programs must be reorganized for more efficient delivery of services.~~

~~(2) The legislature finds that county governments are in the best position to efficiently and effectively deliver services for those in need who are not otherwise eligible for similar services provided by the department of public health and human services.~~

~~(3) (a) The legislature finds that the needs of persons who are aged, infirm, or misfortunate are adequately and appropriately provided for through the following programs:~~

~~(i) medicaid;~~

~~(ii) aid for dependent children;~~

~~(iii) food stamps;~~

~~(iv) commodities; and~~

~~(v) low-income energy assistance.~~

~~(b) The legislature further finds that the counties may in their discretion provide other programs of public assistance that they determine are appropriate and that may be funded with money derived from the a county poor fund mill levy.~~

~~(4) The legislature finds that the effects of eliminating the state program of general relief are not known and that the administration and financing of public assistance programs by each county may not provide uniform assistance throughout the state."~~

**SECTION 157. SECTION 53-3-115, MCA, IS AMENDED TO READ:**

**"53-3-115. Legislative findings.** (1) The legislature finds that in order to use the limited resources of the state for the purposes of providing public assistance to persons whom it has determined are in need, certain programs must be eliminated and the provision of public assistance programs must be reorganized

1 for more efficient delivery of services.

2 (2) The legislature finds that county governments are in the best position to efficiently and  
3 effectively deliver services for those in need who are not otherwise eligible for similar services provided  
4 by the department of public health and human services.

5 (3) (a) The legislature finds that the needs of persons who are aged, infirm, or misfortunate are  
6 adequately and appropriately provided for through the following programs:

7 (i) medicaid;

8 (ii) aid for dependent children;

9 (iii) food stamps;

10 (iv) commodities; and

11 (v) low-income energy assistance.

12 (b) The legislature further finds that the counties may in their discretion provide other programs  
13 of public assistance that they determine are appropriate and that may be funded with money derived from  
14 the a county ~~poor fund~~ mill levy.

15 (4) The legislature finds that the effects of eliminating the state program of general relief are not  
16 known and that the administration and financing of public assistance programs by each county may not  
17 provide uniform assistance throughout the state."

18

19 ~~Section 159. Section 53-3-116, MCA, is amended to read:~~

20 ~~"53-3-116. Indigent assistance -- optional county program. (1) A county may provide a program~~  
21 ~~of indigent assistance that it determines necessary. The program may include assistance for food, clothing,~~  
22 ~~shelter, transportation, and medical assistance for individuals not eligible for state or federal programs~~  
23 ~~providing similar assistance. A county may provide for the burial, entombment, or cremation of indigents.~~  
24 ~~The indigent assistance program of the county includes:~~

25 ~~(a) job search, job training, work-for-assistance, and employment programs; and~~

26 ~~(b) health care, preventive care, and wellness programs as determined by the county~~  
27 ~~commissioners.~~

28 ~~(2) A county may establish the criteria for determining eligibility for assistance, including but not~~  
29 ~~limited to residency requirements, limits on income and resources, and the amount, scope, and duration~~  
30 ~~of assistance.~~

~~1 (3) A county may deny assistance for a reasonable period if a person has voluntarily left  
2 employment without good cause or is discharged due to misconduct.~~

~~3 (4) The program may be funded with money derived from the a county poor fund mill levy  
4 established in 53-2-322.~~

~~5 (5) A person is indigent for purposes of this subsection if the value of all income and resources  
6 available to pay for that person's burial, entombment, or cremation at the time of death is less than the  
7 negotiated amount due the funeral home or mortician for an indigent burial. Available income and resources  
8 may be determined by the county.~~

~~9 (6) A county may seek reimbursement under 40-6-303, if applicable, for costs paid under this  
10 section.~~

~~11 (7) A county may not deduct amounts that may be recovered from an adult child of a deceased  
12 indigent or recovered from resources of a deceased indigent from a contract amount due a funeral home  
13 or mortician for burial services provided under 7-4-2915 or this section. A funeral home or a mortician that  
14 recovers an amount in excess of a contract amount paid under this subsection shall reimburse the county  
15 for the amount recovered up to the amount of the contract."~~

**SECTION 158. SECTION 53-3-116, MCA, IS AMENDED TO READ:**

**"53-3-116. Indigent assistance -- optional county program.** (1) A county may provide a program  
of indigent assistance that it determines necessary. The program may include assistance for food, clothing,  
shelter, transportation, and medical assistance for individuals not eligible for state or federal programs  
providing similar assistance. A county may provide for the burial, entombment, or cremation of indigents.  
The indigent assistance program of the county includes:

(a) job search, job training, work-for-assistance, and employment programs; and

(b) health care, preventive care, and wellness programs as determined by the county  
commissioners.

(2) A county may establish the criteria for determining eligibility for assistance, including but not  
limited to residency requirements, limits on income and resources, and the amount, scope, and duration  
of assistance.

(3) A county may deny assistance for a reasonable period if a person has voluntarily left  
employment without good cause or is discharged due to misconduct.

(4) The program may be funded with money derived from ~~the a county poor fund~~ mill levy established in 53-2-322.

(5) A person is indigent for purposes of this subsection if the value of all income and resources available to pay for that person's burial, entombment, or cremation at the time of death is less than the negotiated amount due the funeral home or mortician for an indigent burial. Available income and resources may be determined by the county.

(6) A county may seek reimbursement under 40-6-303, if applicable, for costs paid under this section.

(7) A county may not deduct amounts that may be recovered from an adult child of a deceased indigent or recovered from resources of a deceased indigent from a contract amount due a funeral home or mortician for burial services provided under 7-4-2915 or this section. A funeral home or a mortician that recovers an amount in excess of a contract amount paid under this subsection shall reimburse the county for the amount recovered up to the amount of the contract."

**Section 159.** Section 53-20-208, MCA, is amended to read:

**"53-20-208. Contributions of counties and municipalities.** (1) The boards of county commissioners of the several counties and the governing bodies of municipalities of this state may, ~~in their discretion,~~ contribute to any developmental disabilities facility approved by the department, without regard to whether the facility is within or outside of their respective jurisdictions. Subject to 15-10-420, the boards of county commissioners of the counties may levy a tax ~~up to but not to exceed 1 mill on each dollar of the~~ taxable value of all taxable property within the county. The tax is in addition to all other county tax levies. All proceeds of the tax, if levied, must be used for the sole purpose of support of developmental disabilities services.

(2) For the purpose of carrying out the provisions of this section, boards of county commissioners and governing bodies of municipalities may appropriate out of the general fund of their respective counties or municipalities."

**Section 160.** Section 53-21-204, MCA, is amended to read:

**"53-21-204. Mental health corporations.** (1) Mental health regions must be established in the state mental health plan and must conform to the mental health regions as established in the state mental health

1 construction plan promulgated by the department under the federal Community Mental Health Centers Act.

2 (2) The mental health regions must be established under Title 35, chapter 2. Upon incorporation,  
3 a mental health region may enter into contracts with the department in order to carry out the department's  
4 comprehensive plan for mental health. These nonprofit corporations may not be considered agencies of  
5 the department or the state of Montana.

6 (3) Upon the establishment of the mental health regions, the county commissioners in each of the  
7 counties in the region designated as participating counties pursuant to subsection (8) shall appoint a person  
8 from their respective county to serve as a representative of the county on the regional mental health  
9 corporation board. In addition, unless the groups in subsections (3)(a) and (3)(b) are already represented,  
10 the board consists of three members-at-large who must be chosen according to the corporate bylaws, as  
11 follows:

12 (a) Two members must be chosen, one from each of the following groups:

13 (i) persons with severe and disabling mental illnesses; and

14 (ii) family members of persons with severe and disabling mental illnesses.

15 (b) One person must be chosen from among the following four groups:

16 (i) parents of children with emotional disturbances;

17 (ii) advocates of mental health services for the elderly;

18 (iii) health care professionals; or

19 (iv) organizations that provide community support services, such as food, housing, and clothing,  
20 to persons with severe and disabling mental illnesses.

21 (4) This section does not prohibit a regional mental health corporation from voluntarily expanding  
22 its board membership to include members-at-large, appointed by the board, from any of the groups  
23 described in subsections (3)(a) and (3)(b).

24 (5) The board must be established under guidelines adopted by the bylaws of the corporation. All  
25 appointments to the board must be for terms of 2 years, and the department must be notified in writing  
26 of all appointments.

27 (6) The duties of an organized regional mental health corporation board include:

28 (a) annual review and evaluation of mental health needs and services within the region;

29 (b) preparation and submission to the department and to each of the counties in the region of  
30 plans and budget proposals to provide and support mental health services within the region;

(c) establishment of a recommended proportionate level of financial participation of each of the counties within the region in the provision of mental health services within the limits of this section;

(d) receipt and administration of money and other support made available for the purposes of providing mental health services by the participating agencies, including grants from the United States government and other agencies, receipts for established fees for services rendered, taxes, gifts, donations, and any other type of support or income. All funds received by the board in accordance with this part must be used to carry out the purposes of this part.

(e) supervision of appropriate administrative staff personnel of the operation of community mental health services within the region;

(f) keeping all records of the board and making reports required by the department.

(7) Regional mental health board members must be reimbursed from funds of the board for actual and necessary expenses incurred in attending meetings and in the discharge of board duties when assigned by the board.

(8) Prior to June 10 of each year, the board of mental health shall submit to the board of county commissioners of each of the counties within the constituted mental health region an annual budget, specifying each county's recommended proportionate share. If the board of county commissioners includes in the county budget the county's proportionate share of the regional board's budget, it must be designated as a participating county. Funds for each participating county's proportionate share for the operation of mental health services within the region must be derived from the county's general fund. If Subject to 15-10-420, if the general fund is insufficient to meet the approved budget, a levy ~~not to exceed 1 mill~~ may be made on the taxable valuation of the county in addition to all other taxes allowed by law to be levied on that property.

(9) The regional board of mental health, with the approval of the department, shall establish a schedule of fees for mental health services. The fees may be received by the board and used to implement the budget in accordance with subsection (6)(d)."

~~Section 162. Section 61-1-102, MCA, is amended to read:~~

~~"61-1-102. Motor vehicle. "Motor vehicle" means a vehicle propelled by its own power and designed or used to transport persons or property upon the highways of the state. For the purpose of chapter 3, the term also includes trailers, and semitrailers, and house trailers. For the purpose of chapter~~

1 ~~3, parts 1 and 2, the term also includes campers. The term does not include a bicycle as defined in~~  
2 ~~61-1-123."~~

3

4 **SECTION 161.** SECTION 61-1-102, MCA, IS AMENDED TO READ:

5 **"61-1-102. Motor vehicle.** "Motor vehicle" means a vehicle propelled by its own power and  
6 designed or used to transport persons or property upon the highways of the state. For the purpose of  
7 chapter 3, the term also includes trailers; and semitrailers; ~~and house trailers~~. For the purpose of chapter  
8 3, parts 1 and 2, the term also includes campers. The term does not include a bicycle as defined in  
9 61-1-123."

10

11 ~~Section 163.~~ Section 61-3-203, MCA, is amended to read:

12 ~~"61-3-203. Fee for original certificate of ownership and transfer of registration -- disposition. (1)~~

13 ~~Except as provided in subsection (2), a A charge of \$5 ~~\$6 \$5 \$7~~ must be made for issuance of an original~~  
14 ~~certificate of ownership of title and for a transfer of registration, which must be collected by the county~~  
15 ~~treasurer. AN ADDITIONAL FEE OF \$1.50 MUST BE PAID FOR LIGHT VEHICLES, TRUCKS AND BUSES WEIGHING LESS THAN~~  
16 ~~1 TON, AND LOGGING TRUCKS. The fees must be distributed as follows:~~

17 ~~—— (a) The amount of \$3.50 of each fee must be remitted to the department by the county treasurer,~~  
18 ~~as provided in 15-1-504, for each application for original certificate of ownership or transfer of registration.~~

19 ~~—— (b) Each March, the county commissioners of each county shall divide the fees retained by the~~  
20 ~~county to:~~

21 ~~—— (i) the city road fund of each city and town within the county based on the number of motor~~  
22 ~~vehicles registered inside the corporate limits of each city or town; and~~

23 ~~—— (ii) the county road fund based on the number of motor vehicles registered outside the corporate~~  
24 ~~limits of cities and towns deposited in the state general fund.~~

25 ~~—— (2) Upon transfer of any interest in a used motor vehicle by a dealer, broker, or wholesaler as~~  
26 ~~provided in 61-4-111(1), a charge of \$5 must be paid to the department."~~

27

28 **SECTION 162.** SECTION 61-3-203, MCA, IS AMENDED TO READ:

29 **"61-3-203. Fee for original certificate of ownership and transfer of registration -- disposition. (1)**

30 ~~Except as provided in subsection (2), a A charge of \$5 must be made for issuance of an original certificate~~



1 of ownership of title and for a transfer of registration, which must be collected by the county treasurer.  
2 An additional fee of \$2 must be paid for light vehicles, trucks and buses weighing less than 1 ton, and  
3 logging trucks. The fees must be ~~distributed as follows:~~

4 ~~—— (a) The amount of \$3.50 of each fee must be remitted to the department by the county treasurer,~~  
5 ~~as provided in 15-1-504, for each application for original certificate of ownership or transfer of registration.~~

6 ~~—— (b) Each March, the county commissioners of each county shall divide the fees retained by the~~  
7 ~~county to:~~

8 ~~—— (i) the city road fund of each city and town within the county based on the number of motor~~  
9 ~~vehicles registered inside the corporate limits of each city or town; and~~

10 ~~—— (ii) the county road fund based on the number of motor vehicles registered outside the corporate~~  
11 ~~limits of cities and towns deposited in the state general fund.~~

12 (2) ~~Upon transfer of any interest in a used motor vehicle by a dealer, broker, or wholesaler as~~  
13 ~~provided in 61-4-111(1), a charge of \$5 must be paid to the department."~~

14

15 ~~—— **Section 164.** Section 61-3-321, MCA, is amended to read:~~

16 ~~—— "**61-3-321. Registration fees of vehicles -- certain vehicles exempt from license or registration fees**~~  
17 ~~**-- disposition of fees.** (1) Registration or license fees must be paid upon registration or reregistration of~~  
18 ~~motor vehicles, trailers, housetrailers, and semitrailers, in accordance with this chapter, as follows:~~

19 ~~—— (a) unless included in another subsection, motor vehicles weighing 2,850 pounds or under (other~~  
20 ~~than motortrucks), \$5 ~~\$18 LIGHT VEHICLES UNDER 2,850 POUNDS, \$13.25 \$13.75;~~~~

21 ~~—— (b) motor vehicles weighing over 2,850 pounds (other than motortrucks), \$10;~~

22 ~~—— (c) electrically driven passenger vehicles, \$10;~~

23 ~~—— (d) all motorcycles and quadricycles, \$2;~~

24 ~~—— (e) tractors or trucks, \$10;~~

25 ~~—— (f) buses, which are classed as motortrucks, licensed accordingly;~~

26 ~~—— (g)(b) trailers, travel trailers, WITH A DECLARED WEIGHT OF LESS THAN 2,500 POUNDS and semitrailers,~~  
27 ~~less than 2,500 pounds declared weight and other than housetrailers of all weights, \$2 ~~\$12 \$8.25;~~~~

28 ~~—— (h) trailers and semitrailers over 2,500 up to 6,000 pounds declared weight (except housetrailers),~~  
29 ~~\$5;~~

30 ~~—— (i) trailers and semitrailers over 6,000 pounds declared weight, \$10, except trailers and~~

1 semitrailers registered in other jurisdictions through a proportional registration agreement;  
2 ~~—— (j) trailers used exclusively in the transportation of logs in the forest or in the transportation of oil~~  
3 ~~and gas well machinery, road machinery, or bridge materials, new and secondhand, \$15 annually,~~  
4 ~~regardless of size or capacity~~  
5 ~~—— (c) motor vehicles registered pursuant to 61-3-411, THAT ARE:~~  
6 ~~—— (i) OVER 2,850 POUNDS, \$10; and~~  
7 ~~—— (ii) UNDER 2,850 POUNDS, \$5;~~  
8 ~~—— (d) off-highway vehicles registered pursuant to 23-2-817, \$6 \$9;~~  
9 ~~—— (e) LIGHT VEHICLES OVER 2,850 POUNDS, TRUCKS AND BUSES LESS THAN 1 TON, AND HEAVY TRUCKS IN EXCESS~~  
10 ~~OF 1 TON \$18.25 \$18.75;~~  
11 ~~—— (f) LOGGING TRUCKS LESS THAN 1 TON, \$23.25;~~  
12 ~~—— (g) MOTOR HOMES, \$21.75 \$22.25;~~  
13 ~~—— (h) MOTORCYCLES AND QUADRICYCLES, \$9.75;~~  
14 ~~—— (i) TRAILERS AND SEMITRAILERS BETWEEN 2,500 AND 6,000 POUNDS, \$11.25; AND~~  
15 ~~—— (j) TRAILERS AND SEMITRAILERS IN EXCESS OF 6,000 POUNDS, \$16.25;~~  
16 ~~—— (k) TRAVEL TRAILERS, \$11.75; AND~~  
17 ~~—— (l) RECREATIONAL VEHICLES, \$3.50.~~  
18 ~~—— (2) All rates are 25% higher for motor vehicles, trailers, and semitrailers that are not equipped with~~  
19 ~~pneumatic tires.~~  
20 ~~—— (3) "Tractor", as specified in this section, means any motor vehicle, except a passenger car, that~~  
21 ~~is used for towing a trailer or semitrailer.~~  
22 ~~—— (4)(2) If a motor vehicle, housetrailer, trailer, or semitrailer is originally registered 6 months after~~  
23 ~~the time of registration as set by law, the registration or license fee for the remainder of the year is~~  
24 ~~one-half of the regular fee except for trailers or semitrailers registered as provided in 61-3-721(6).~~  
25 ~~—— (5)(3) An additional fee of \$5.25 a year for each registration of a vehicle, except trailers and~~  
26 ~~semitrailers registered in other jurisdictions and registered through a proportional registration agreement,~~  
27 ~~must be collected as a registration fee. Revenue from this fee must be forwarded by the respective county~~  
28 ~~treasurers to the state treasurer for deposit in the general fund. The department shall pay an amount equal~~  
29 ~~to 25 cents from each motor vehicle registration fee from the general fund to the pension trust fund for~~  
30 ~~payment of supplemental benefits provided for in 19-6-709.~~

~~\_\_\_\_\_ (3) AN ADDITIONAL FEE OF \$5 MUST BE COLLECTED FOR THE REGISTRATION OF EACH MOTORCYCLE AS A SAFETY FEE AND MUST BE DEPOSITED IN THE STATE MOTORCYCLE SAFETY ACCOUNT PROVIDED FOR IN 20-25-1002.~~

~~\_\_\_\_\_ (6)(4) A fee of \$2 for each set of new number plates must be collected when number plates provided for under 61-3-332(3) are issued. Revenue from this fee must be deposited as provided in subsection (5).~~

~~\_\_\_\_\_ (7)(5) The provisions of this part with respect to the payment of registration fees do not apply to and are not binding upon motor vehicles, trailers, semitrailers, or tractors owned or controlled by the United States of America or any state, county, city, or special district, as defined in 18-8-202.~~

~~\_\_\_\_\_ [(6) (A) EXCEPT AS PROVIDED IN SUBSECTION (6)(B) AND 61-3-562, A FEE OF 25 CENTS A YEAR FOR EACH REGISTRATION OF A VEHICLE MUST BE COLLECTED WHEN A VEHICLE IS REGISTERED OR REREGISTERED. THE REVENUE DERIVED FROM THIS FEE MUST BE FORWARDED BY THE COUNTY TREASURER FOR DEPOSIT IN THE GENERAL FUND FOR TRANSFER TO THE CREDIT OF THE SENIOR CITIZENS AND PERSONS WITH DISABILITIES TRANSPORTATION SERVICES ACCOUNT PROVIDED FOR IN [SECTION 1 OF SENATE BILL NO. 448].~~

~~\_\_\_\_\_ (b) THE FOLLOWING VEHICLES ARE NOT SUBJECT TO THE FEE IMPOSED IN SUBSECTION (6)(A):~~

~~\_\_\_\_\_ (i) TRAILERS AND SEMITRAILERS REGISTERED IN OTHER JURISDICTIONS AND REGISTERED THROUGH A PROPORTIONAL REGISTRATION AGREEMENT; AND~~

~~\_\_\_\_\_ (ii) TRAVEL TRAILERS, RECREATIONAL VEHICLES, AND OFF-HIGHWAY VEHICLES REGISTERED PURSUANT TO 23-2-817.1~~

~~\_\_\_\_\_ (8)(6)(7) The provisions of this section relating to the payment of registration fees or new number plate fees do not apply when number plates are transferred to a replacement vehicle under 61-3-317, 61-3-332, or 61-3-335.~~

~~\_\_\_\_\_ (9)(7)(8) A person qualifying under 61-3-332(10)(d) or 61-3-504 is exempt from the fees required under subsections (1) and (5) of this section.~~

~~\_\_\_\_\_ (8)(9) Revenue EXCEPT AS OTHERWISE PROVIDED IN THIS SECTION, REVENUE collected under this section must be deposited in the state general fund. (See compiler's comments for contingent termination of certain text.)"~~

**SECTION 163.** SECTION 61-3-321, MCA, IS AMENDED TO READ:

**"61-3-321. Registration fees of vehicles -- certain vehicles exempt from license or registration fees -- disposition of fees.** (1) Registration or license fees must be paid upon registration or reregistration of

1 motor vehicles, trailers, ~~housetrailer~~s, and semitrailers, in accordance with this chapter, as follows:

2 (a) ~~motor vehicles weighing 2,850 pounds or under (other than motortrucks), \$5~~ light vehicles  
3 under 2,850 pounds, \$13.75;

4 ~~(b) motor vehicles weighing over 2,850 pounds (other than motortrucks), \$10;~~

5 ~~—— (c) electrically driven passenger vehicles, \$10;~~

6 ~~—— (d) all motorcycles and quadricycles, \$2;~~

7 ~~—— (e) tractors or trucks, \$10;~~

8 ~~—— (f) buses, which are classed as motortrucks, licensed accordingly;~~

9 ~~(g)(b) trailers with a declared weight of less than 2,500 pounds and semitrailers, less than 2,500~~  
10 ~~pounds declared weight and housetrailer~~s of all weights, ~~\$2~~ \$8.25;

11 ~~(h) trailers and semitrailers over 2,500 up to 6,000 pounds declared weight (except housetrailer~~s);  
12 ~~\$5;~~

13 ~~—— (i) trailers and semitrailers over 6,000 pounds declared weight, \$10, except trailers and~~  
14 ~~semitrailers registered in other jurisdictions through a proportional registration agreement;~~

15 ~~—— (j) trailers used exclusively in the transportation of logs in the forest or in the transportation of oil~~  
16 ~~and gas well machinery, road machinery, or bridge materials, new and secondhand, \$15 annually;~~  
17 ~~regardless of size or capacity~~

18 (c) motor vehicles registered pursuant to 61-3-411 that are:

19 —— (i) over 2,850 pounds, \$10; and

20 —— (ii) under 2,850 pounds, \$5;

21 —— (d) off-highway vehicles registered pursuant to 23-2-817, \$9;

22 —— (e) light vehicles over 2,850 pounds, trucks and buses less than 1 ton, and heavy trucks in excess  
23 of 1 ton, \$18.75;

24 —— (f) logging trucks less than 1 ton, \$23.75;

25 —— (g) motor homes, \$22.25;

26 —— (h) motorcycles and quadricycles, \$9.75;

27 —— (i) trailers and semitrailers between 2,500 and 6,000 pounds, \$11.25;

28 —— (j) trailers and semitrailers in excess of 6,000 pounds, \$16.25;

29 —— (k) travel trailers, \$11.75; and

30 —— (l) recreational vehicles, \$3.50.

~~(2) All rates are 25% higher for motor vehicles, trailers, and semitrailers that are not equipped with pneumatic tires.~~

~~———— (3) "Tractor", as specified in this section, means any motor vehicle, except a passenger car, that is used for towing a trailer or semitrailer.~~

~~(4)(2) If a motor vehicle, house trailer, trailer, or semitrailer is originally registered 6 months after the time of registration as set by law, the registration or license fee for the remainder of the year is one-half of the regular fee except for trailers or semitrailers registered as provided in 61-3-721(6).~~

~~———— (5) An additional fee of \$5.25 a year for each registration of a vehicle, except trailers and semitrailers registered in other jurisdictions and registered through a proportional registration agreement, must be collected as a registration fee. Revenue from this fee must be forwarded by the respective county treasurers to the state treasurer for deposit in the general fund. The department shall pay an amount equal to 25 cents from each motor vehicle registration fee from the general fund to the pension trust fund for payment of supplemental benefits provided for in 19-6-709.~~

~~———— (3) An additional fee of \$5 must be collected for the registration of each motorcycle as a safety fee and must be deposited in the state motorcycle safety account provided for in 20-25-1002.~~

~~(6)(4) A fee of \$2 for each set of new number plates must be collected when number plates provided for under 61-3-332(3) are issued. Revenue from this fee must be deposited as provided in subsection (5).~~

~~(7)(5) The provisions of this part with respect to the payment of registration fees do not apply to and are not binding upon motor vehicles, trailers, semitrailers, or tractors owned or controlled by the United States of America or any state, county, city, or special district, as defined in 18-8-202.~~

~~———— [(6) (a) Except as provided in subsection (6)(b) and 61-3-562, a fee of 25 cents a year for each registration of a vehicle must be collected when a vehicle is registered or reregistered. The revenue derived from this fee must be forwarded by the county treasurer for deposit in the general fund for transfer to the credit of the senior citizens and persons with disabilities transportation services account provided for in [section 1 of Senate Bill No. 448].~~

~~———— (b) The following vehicles are not subject to the fee imposed in subsection (6)(a):~~

~~———— (i) trailers and semitrailers registered in other jurisdictions and registered through a proportional registration agreement; and~~

~~———— (ii) travel trailers, recreational vehicles, and off-highway vehicles registered pursuant to 23-2-817.]~~

~~(7)~~(7) The provisions of this section relating to the payment of registration fees or new number plate fees do not apply when number plates are transferred to a replacement vehicle under 61-3-317, 61-3-332, or 61-3-335.

~~(9)~~(8) A person qualifying under 61-3-332(10)(d) or 61-3-504 is exempt from the fees required under ~~subsections (1) and (5) of this section.~~

~~(9) Except as otherwise provided in this section, revenue collected under this section must be deposited in the state general fund. (See compiler's comments for contingent termination of certain text.)"~~

~~Section 165. Section 61-3-325, MCA, is amended to read:~~

~~"61-3-325. Vehicles subject to staggered registration -- fees and taxes -- disposition. (1) Any motor vehicle in the fleet that is subject to staggered registration under 61-3-313 through 61-3-316 may be registered as part of the fleet on the following fleet renewal date. The department of transportation shall collect the remaining fees and taxes due for the registration year after crediting the registrant for the period that was previously paid.~~

~~(2) (a) The department of transportation shall compute fees and taxes due on each motor vehicle in the fleet as provided in part 5 of this chapter, based on its domicile.~~

~~(b) The department of transportation shall also collect a registration fee of \$7.50 for each motor vehicle in the fleet in lieu of the registration fee provided for in 61-3-321. The department shall retain \$4.50 of each registration fee for administrative costs and forward the remaining \$3 to the state treasurer for deposit in the general fund in lieu of the fee provided in 61-3-321(5) 61-3-321(3).~~

~~(c) All fees and taxes must be paid no later than February 15 each year.~~

~~(d) The fees and taxes collected must be distributed by the department of transportation as provided in 61-3-321 and part 5 of this chapter, based on the domicile of each motor vehicle."~~

**SECTION 164. SECTION 61-3-325, MCA, IS AMENDED TO READ:**

**"61-3-325. Vehicles subject to staggered registration -- fees and taxes -- disposition. (1) Any motor vehicle in the fleet that is subject to staggered registration under 61-3-313 through 61-3-316 may be registered as part of the fleet on the following fleet renewal date. The department of transportation shall collect the remaining fees and taxes due for the registration year after crediting the registrant for the period that was previously paid.**

(2) (a) The department of transportation shall compute fees and taxes due on each motor vehicle in the fleet as provided in part 5 of this chapter, based on its domicile.

(b) The department of transportation shall also collect a registration fee of \$7.50 for each motor vehicle in the fleet in lieu of the registration fee provided for in 61-3-321. The department shall retain \$4.50 of each registration fee for administrative costs and forward the remaining \$3 to the state treasurer for deposit in the general fund in lieu of the fee provided in 61-3-321(5).

(c) All fees and taxes must be paid no later than February 15 each year.

~~(d) The fees and taxes collected must be distributed by the department of transportation as provided in 61-3-321 and part 5 of this chapter, based on the domicile of each motor vehicle."~~

~~Section 166. Section 61-3-332, MCA, is amended to read:~~

~~"61-3-332. Number plates. (1) A motor vehicle that is driven upon the streets or highways of Montana must display both front and rear number plates, bearing the distinctive number assigned to the vehicle. The number plates are in 10 series: one series for owners of motorcars, one for owners of motor vehicles of the motorcycle or quadricycle type, one for trailers, one for trucks, one for dealers in vehicles of the motorcycle or quadricycle type that bears the distinctive letters "MCD" or the letters "MC" and the word "DEALER", one for franchised dealers in new motorcars (including trucks and trailers) or new and used motorcars (including trucks and trailers) that bears the distinctive letter "D" or the word "DEALER", one for dealers in used motorcars only (including used trucks and trailers) that bears the distinctive letters "UD" or the letter "U" and the word "DEALER", one for dealers in trailers and/or semitrailers (new or used) that bears the distinctive letters "DTR" or the letters "TR" and the word "DEALER", one for dealers in recreational vehicles that bears the distinctive letters "RV" or the letter "R" and the word "DEALER", and one for special license plates. All markings for the various kinds of dealers' plates must be placed on the number plates assigned to the dealer, in the position that the department designates.~~

~~(2) (a) All number plates for motor vehicles must be issued for a maximum period of 4 years, bear a distinctive marking, and be furnished by the state. In years when number plates are not issued, the department shall provide nonremovable stickers bearing appropriate registration numbers that must be affixed to the license plates in use.~~

~~(b) For light vehicles that are permanently registered as provided in 61-3-527 or 61-3-562, the department shall provide distinctive nonremovable stickers indicating that the vehicle is permanently~~

1 registered. The stickers must be affixed to the license plates in use.

2 ~~——— (3) (a) Subject to the provisions of this section, the department shall create a new design for~~  
3 ~~number plates as provided in this section, and it shall manufacture the newly designed number plates for~~  
4 ~~issuance after December 31, 1999, to replace at renewal, as required in 61-3-312 and 61-3-314, number~~  
5 ~~plates that were displayed on motor vehicles before that date.~~

6 ~~——— (b) Beginning January 1, 2000, the department shall manufacture and issue new number plates~~  
7 ~~every 4 years.~~

8 ~~——— (4) In the case of motorcars and trucks, plates must be of metal 6 inches wide and 12 inches in~~  
9 ~~length. The outline of the state of Montana must be used as a distinctive border on the license plates, and~~  
10 ~~the word "Montana" and the year must be placed across the plates. Registration plates must be treated~~  
11 ~~with a reflectorized background material according to specifications prescribed by the department.~~

12 ~~——— (5) The distinctive registration numbers must begin with a number one or with a letter-number~~  
13 ~~combination, such as "A 1" or "AA 1", or any other similar combination of letters and numbers. The~~  
14 ~~distinctive registration number or letter-number combination assigned to the vehicle must appear on the~~  
15 ~~plate preceded by the number of the county and appearing in horizontal order on the same horizontal~~  
16 ~~baseline. The county number must be separated from the distinctive registration number by a separation~~  
17 ~~mark unless a letter-number combination is used. The dimensions of the numerals and letters must be~~  
18 ~~determined by the department, and all county and registration numbers must be of equal height.~~

19 ~~——— (6) For the use of exempt motor vehicles and motor vehicles that are exempt from the registration~~  
20 ~~fee as provided in 61-3-560(2)(a), in addition to the markings provided in this section, number plates must~~  
21 ~~bear the following distinctive markings:~~

22 ~~——— (a) For vehicles owned by the state, the department may designate the prefix number for the~~  
23 ~~various state departments. All numbered plates issued to state departments must bear the words "State~~  
24 ~~Owned", and a year number may not be indicated on the plates because these numbered plates are of a~~  
25 ~~permanent nature and will be replaced by the department only when the physical condition of numbered~~  
26 ~~plates requires it.~~

27 ~~——— (b) For vehicles that are owned by the counties, municipalities, and special districts, as defined~~  
28 ~~in 18-8-202, organized under the laws of Montana and not operating for profit, and that are used and~~  
29 ~~operated by officials and employees in the line of duty and for vehicles on loan from the United States~~  
30 ~~government or the state of Montana to, or owned by, the civil air patrol and used and operated by officials~~



~~and employees in the line of duty, there must be placed on the number plates assigned, in a position that the department may designate, the letter "X" or the word "EXEMPT". Distinctive registration numbers for plates assigned to motor vehicles of each of the counties in the state and those of the municipalities and special districts that obtain plates within each county must begin with number one and be numbered consecutively. Because these number plates are of a permanent nature, they are subject to replacement by the department only when the physical condition of the number plates requires it and a year number may not be displayed on the number plates.~~

~~——— (7) On all number plates assigned to motor vehicles of the truck and trailer type, other than tax-exempt trucks and tax-exempt trailers, there must appear the letter "T" or the word "TRUCK" on plates assigned to trucks and the letters "TR" or the word "TRAILER" on plates assigned to trailers and housetrailer. The letters "MC" or the word "CYCLE" must appear on plates assigned to vehicles of the motorcycle or quadricycle type.~~

~~——— (8) Number plates issued to a passenger car, truck, trailer, or vehicle of the motorcycle or quadricycle type may be transferred only to a replacement passenger car, truck, trailer, or motorcycle or quadricycle-type vehicle. A registration or license fee may not be assessed upon a transfer of a number plate under 61-3-317 and 61-3-335.~~

~~——— (9) For the purpose of this chapter, the several counties of the state are assigned numbers as follows: Silver Bow, 1; Cascade, 2; Yellowstone, 3; Missoula, 4; Lewis and Clark, 5; Gallatin, 6; Flathead, 7; Fergus, 8; Powder River, 9; Carbon, 10; Phillips, 11; Hill, 12; Ravalli, 13; Custer, 14; Lake, 15; Dawson, 16; Roosevelt, 17; Beaverhead, 18; Chouteau, 19; Valley, 20; Toole, 21; Big Horn, 22; Musselshell, 23; Blaine, 24; Madison, 25; Pondera, 26; Richland, 27; Powell, 28; Rosebud, 29; Deer Lodge, 30; Teton, 31; Stillwater, 32; Treasure, 33; Sheridan, 34; Sanders, 35; Judith Basin, 36; Daniels, 37; Glacier, 38; Fallon, 39; Sweet Grass, 40; McCone, 41; Carter, 42; Broadwater, 43; Wheatland, 44; Prairie, 45; Granite, 46; Meagher, 47; Liberty, 48; Park, 49; Garfield, 50; Jefferson, 51; Wibaux, 52; Golden Valley, 53; Mineral, 54; Petroleum, 55; Lincoln, 56. Any new counties must be assigned numbers by the department as they may be formed, beginning with the number 57.~~

~~——— (10) Each type of special license plate approved by the legislature, except collegiate license plates authorized in 61-3-463, must be a separate series of plates, numbered as provided in subsection (5), except that the county number must be replaced by a nonremovable design or decal designating the group or organization to which the applicant belongs. Unless otherwise specifically stated in this section, the~~

~~special plates are subject to the same rules and laws as govern the issuance of regular license plates, must be placed or mounted on a vehicle owned by the person who is eligible to receive them, and must be removed upon sale or other disposition of the vehicle. The special license plates must be issued to national guard members, former prisoners of war, persons with disabilities, reservists, disabled veterans, survivors of the Pearl Harbor attack, veterans of the armed services, national guard veterans, legion of valor members, or veterans of the armed services who were awarded the purple heart medal, who comply with the following provisions:~~

~~—— (a) (i) An active member of the Montana national guard may be issued special license plates with a design or decal displaying the letters "NG". The adjutant general shall issue to each active member of the Montana national guard a certificate authorizing the department to issue national guard plates, numbered in sets of two with a different number on each set, and the member shall surrender the plates to the department upon becoming ineligible to use them.~~

~~—— (ii) The department may issue national guard veteran plates, bearing a design or decal displaying the Montana national guard insignia and the words "National Guard veteran" and numbered in sets of two with a different number on each set, to an applicant who presents to the department a copy of certification of national guard retirement eligibility issued by the appropriate authorities for the applicant or the applicant's deceased spouse and who pays, in addition to all taxes and fees required by parts 3 and 5 of this chapter, a national guard veteran license plate fee of \$10. The additional fee must be distributed in accordance with the provisions of subsection (10)(f)(iii) and (10)(f)(iv) (12).~~

~~—— (b) An active member of the reserve armed forces of the United States of America who is a resident of this state may be issued special license plates with a design or decal displaying the following: United States army reserve, AR (symbol); United States naval reserve, NR (anchor); United States air force reserve, AFR (symbol); and United States marine corps reserve, MCR (globe and anchor). The commanding officer of each armed forces reserve unit shall issue to each eligible member of the reserve unit a certificate authorizing the issuance of special license plates, numbered in sets of two with a different number on each set. The member shall surrender the plates to the department upon becoming ineligible to use them.~~

~~—— (c) (i) A resident of Montana who is a veteran of the armed forces of the United States and who is 100% disabled because of an injury that has been determined by the department of veterans affairs to be service-connected may, upon presentation to the department of proof of the 100% disability, be issued:~~

1 ~~—— (A) a special license plate under this section with a design or decal displaying the letters "DV";~~  
2 ~~or~~  
3 ~~—— (B) one set of any other military-related plates that the disabled veteran is eligible to receive under~~  
4 ~~this section.~~  
5 ~~—— (ii) The fee for original or renewal registration by a 100% disabled veteran for a passenger vehicle~~  
6 ~~or a truck with a GVW-rated capacity of 1 ton or less is \$5 and is in lieu of all other fees and taxes for that~~  
7 ~~vehicle under this chapter.~~  
8 ~~—— (iii) Special license plates issued to a disabled veteran are not transferable to another person.~~  
9 ~~—— (iv) A disabled veteran is not entitled to a special disabled veteran's license plate for more than one~~  
10 ~~vehicle.~~  
11 ~~—— (v) A vehicle lawfully displaying a disabled veteran's plate and that is conveying a 100% disabled~~  
12 ~~veteran is entitled to the parking privileges allowed a person with a disability's vehicle under this title.~~  
13 ~~—— (d) A Montana resident who is a veteran of the armed forces of the United States and was~~  
14 ~~captured and held prisoner by a military force of a foreign nation, documented by the veteran's service~~  
15 ~~record, may upon application and presentation of proof be issued special license plates, numbered in sets~~  
16 ~~of two with a different number on each set, with a design or decal displaying the words "ex-prisoner of~~  
17 ~~war" or an abbreviation that the department considers appropriate.~~  
18 ~~—— (i) Fees required under 61-3-321(1) and (5) may not be assessed upon one set of license plates~~  
19 ~~issued to an ex-prisoner of war under this subsection (10)(d).~~  
20 ~~—— (ii) A special license plate fee may not be assessed upon one set of special license plates issued~~  
21 ~~to an ex-prisoner of war under this subsection (10)(d).~~  
22 ~~—— (iii) An ex-prisoner of war is exempt from the light vehicle taxes registration fees imposed under~~  
23 ~~61-3-504 61-3-560 through 61-3-562 for one vehicle that displays a set of ex-prisoner of war license~~  
24 ~~plates.~~  
25 ~~—— (iv) A surviving spouse of an ex-prisoner of war may retain the special license plates that have~~  
26 ~~been issued to the ex-prisoner of war if the spouse complies with the provisions of 61-3-457.~~  
27 ~~—— (e) Except as provided in subsections (10)(c) and (10)(d), upon payment of all taxes and fees~~  
28 ~~required by parts 3 and 5 of this chapter and upon furnishing proof satisfactory to the department that the~~  
29 ~~applicant meets the requirements of this subsection (10)(e), the department shall issue to a Montana~~  
30 ~~resident who is a veteran of the armed services of the United States special license plates, numbered in~~

~~sets of two with a different number on each set, designed to indicate that the applicant is a survivor of the Pearl Harbor attack if the applicant was a member of the United States armed forces on December 7, 1941, was on station on December 7, 1941, during the hours of 7:55 a.m. to 9:45 a.m. (Hawaii time) at Pearl Harbor, the island of Oahu, or was offshore at a distance of not more than 3 miles, and received an honorable discharge from the United States armed forces. If special license plates issued under subsection (10)(d) and this subsection are lost, stolen, or mutilated, the recipient of the plates is entitled to replacement plates upon request and without charge.~~

~~—— (f) A motor vehicle owner and resident of this state who is a veteran or the surviving spouse of a veteran of the armed services of the United States may be issued license plates inscribed as provided in subsection (10)(f)(i) if the veteran was separated from the armed services under other than dishonorable circumstances or was awarded the purple heart medal:~~

~~—— (i) Upon submission of a department of defense form 214 (DD-214) or its successor or documents showing an other than dishonorable discharge or a reenlistment, proper identification, and other relevant documents to show an applicant's qualification under this subsection, there must be issued to the applicant, in lieu of the regular license plates prescribed by law, special license plates numbered in sets of two with a different number on each set. The plates must display:~~

~~—— (A) the word "VETERAN" and a symbol signifying the United States army, United States navy, United States air force, United States marine corps, or United States coast guard, according to the record of service verified in the application; or~~

~~—— (B) a symbol representing the purple heart medal.~~

~~—— (ii) Plates must be furnished by the department to the county treasurer, who shall issue them to a qualified veteran or to the veteran's surviving spouse. The plates must be placed or mounted on the vehicle owned by the veteran or the veteran's surviving spouse designated in the application and must be removed upon sale or other disposition of the vehicle.~~

~~—— (iii) Except as provided in subsections (10)(c) and (10)(d), a veteran or surviving spouse who receives special license plates under this subsection (10)(f) is liable for payment of all taxes and fees required under parts 3 and 4 of this chapter and a special veteran's or purple heart medal license plate fee of \$10. Upon an original application for a license under this subsection (10)(f), the county treasurer shall:~~

~~—— (A) deposit \$3 of the special fee in the county general fund;~~

~~—— (B) remit \$1 for deposit in the state general fund; and~~

~~——— (C) deposit the remainder of the special fee in the state special revenue account established in 10-2-603 for administration, construction, operation, and maintenance of the state veterans' cemeteries.~~

~~——— (iv) Upon subsequent annual renewal of registration, the county treasurer shall deposit all of the special fee as provided in subsection (10)(f)(iii)(C).~~

~~——— (g) A Montana resident who is eligible to receive a special parking permit under 49-4-301 may, upon written application on a form prescribed by the department, be issued a special license plate with a design or decal bearing a representation of a wheelchair as the symbol of a person with a disability.~~

~~——— (h) The department may issue legion of valor license plates, bearing a design or decal depicting the recognized legion of valor medallion and numbered in sets of two with a different number on each set, to an applicant who presents to the department proper documentation of receipt of a legion of valor award by appropriate authorities to the applicant or the applicant's deceased spouse and who pays all taxes and fees required by parts 3 and 5 of this chapter.~~

~~——— (11) The provisions of this section do not apply to a motor vehicle, trailer, or semitrailer that is registered as part of a fleet, as defined in 61-3-712, and that is subject to the provisions of 61-3-711 through 61-3-733.~~

~~——— (12) Fees collected under this section must be deposited in the state general fund."~~

**SECTION 165. SECTION 61-3-332, MCA, IS AMENDED TO READ:**

**"61-3-332. Number plates.** (1) A motor vehicle that is driven upon the streets or highways of Montana must display both front and rear number plates, bearing the distinctive number assigned to the vehicle. The number plates are in 10 series: one series for owners of motorcars, one for owners of motor vehicles of the motorcycle or quadricycle type, one for trailers, one for trucks, one for dealers in vehicles of the motorcycle or quadricycle type that bears the distinctive letters "MCD" or the letters "MC" and the word "DEALER", one for franchised dealers in new motorcars (including trucks and trailers) or new and used motorcars (including trucks and trailers) that bears the distinctive letter "D" or the word "DEALER", one for dealers in used motorcars only (including used trucks and trailers) that bears the distinctive letters "UD" or the letter "U" and the word "DEALER", one for dealers in trailers and/or semitrailers (new or used) that bears the distinctive letters "DTR" or the letters "TR" and the word "DEALER", one for dealers in recreational vehicles that bears the distinctive letters "RV" or the letter "R" and the word "DEALER", and one for special license plates. All markings for the various kinds of dealers' plates must be placed on the

1 number plates assigned to the dealer, in the position that the department designates.

2 (2) (a) All number plates for motor vehicles must be issued for a maximum period of 4 years, bear  
3 a distinctive marking, and be furnished by the state. In years when number plates are not issued, the  
4 department shall provide nonremovable stickers bearing appropriate registration numbers that must be  
5 affixed to the license plates in use.

6 (b) For light vehicles that are permanently registered as provided in 61-3-527 or 61-3-562, the  
7 department shall provide distinctive nonremovable stickers indicating that the vehicle is permanently  
8 registered. The stickers must be affixed to the license plates in use.

9 (3) (a) Subject to the provisions of this section, the department shall create a new design for  
10 number plates as provided in this section, and it shall manufacture the newly designed number plates for  
11 issuance after December 31, 1999, to replace at renewal, as required in 61-3-312 and 61-3-314, number  
12 plates that were displayed on motor vehicles before that date.

13 (b) Beginning January 1, 2000, the department shall manufacture and issue new number plates  
14 every 4 years.

15 (4) In the case of motorcars and trucks, plates must be of metal 6 inches wide and 12 inches in  
16 length. The outline of the state of Montana must be used as a distinctive border on the license plates, and  
17 the word "Montana" and the year must be placed across the plates. Registration plates must be treated  
18 with a reflectorized background material according to specifications prescribed by the department.

19 (5) The distinctive registration numbers must begin with a number one or with a letter-number  
20 combination, such as "A 1" or "AA 1", or any other similar combination of letters and numbers. The  
21 distinctive registration number or letter-number combination assigned to the vehicle must appear on the  
22 plate preceded by the number of the county and appearing in horizontal order on the same horizontal  
23 baseline. The county number must be separated from the distinctive registration number by a separation  
24 mark unless a letter-number combination is used. The dimensions of the numerals and letters must be  
25 determined by the department, and all county and registration numbers must be of equal height.

26 (6) For the use of exempt motor vehicles and motor vehicles that are exempt from the registration  
27 fee as provided in 61-3-560(2)(a), in addition to the markings provided in this section, number plates must  
28 bear the following distinctive markings:

29 (a) For vehicles owned by the state, the department may designate the prefix number for the  
30 various state departments. All numbered plates issued to state departments must bear the words "State

1 Owned", and a year number may not be indicated on the plates because these numbered plates are of a  
2 permanent nature and will be replaced by the department only when the physical condition of numbered  
3 plates requires it.

4 (b) For vehicles that are owned by the counties, municipalities, and special districts, as defined  
5 in 18-8-202, organized under the laws of Montana and not operating for profit, and that are used and  
6 operated by officials and employees in the line of duty and for vehicles on loan from the United States  
7 government or the state of Montana to, or owned by, the civil air patrol and used and operated by officials  
8 and employees in the line of duty, there must be placed on the number plates assigned, in a position that  
9 the department may designate, the letter "X" or the word "EXEMPT". Distinctive registration numbers for  
10 plates assigned to motor vehicles of each of the counties in the state and those of the municipalities and  
11 special districts that obtain plates within each county must begin with number one and be numbered  
12 consecutively. Because these number plates are of a permanent nature, they are subject to replacement  
13 by the department only when the physical condition of the number plates requires it and a year number  
14 may not be displayed on the number plates.

15 (7) On all number plates assigned to motor vehicles of the truck and trailer type, other than  
16 tax-exempt trucks and tax-exempt trailers, there must appear the letter "T" or the word "TRUCK" on  
17 plates assigned to trucks and the letters "TR" or the word "TRAILER" on plates assigned to trailers and  
18 housetrainers. The letters "MC" or the word "CYCLE" must appear on plates assigned to vehicles of the  
19 motorcycle or quadricycle type.

20 (8) Number plates issued to a passenger car, truck, trailer, or vehicle of the motorcycle or  
21 quadricycle type may be transferred only to a replacement passenger car, truck, trailer, or motorcycle- or  
22 quadricycle-type vehicle. A registration or license fee may not be assessed upon a transfer of a number  
23 plate under 61-3-317 and 61-3-335.

24 (9) For the purpose of this chapter, the several counties of the state are assigned numbers as  
25 follows: Silver Bow, 1; Cascade, 2; Yellowstone, 3; Missoula, 4; Lewis and Clark, 5; Gallatin, 6; Flathead,  
26 7; Fergus, 8; Powder River, 9; Carbon, 10; Phillips, 11; Hill, 12; Ravalli, 13; Custer, 14; Lake, 15;  
27 Dawson, 16; Roosevelt, 17; Beaverhead, 18; Chouteau, 19; Valley, 20; Toole, 21; Big Horn, 22;  
28 Musselshell, 23; Blaine, 24; Madison, 25; Pondera, 26; Richland, 27; Powell, 28; Rosebud, 29; Deer  
29 Lodge, 30; Teton, 31; Stillwater, 32; Treasure, 33; Sheridan, 34; Sanders, 35; Judith Basin, 36; Daniels,  
30 37; Glacier, 38; Fallon, 39; Sweet Grass, 40; McCone, 41; Carter, 42; Broadwater, 43; Wheatland, 44;

1 Prairie, 45; Granite, 46; Meagher, 47; Liberty, 48; Park, 49; Garfield, 50; Jefferson, 51; Wibaux, 52;  
2 Golden Valley, 53; Mineral, 54; Petroleum, 55; Lincoln, 56. Any new counties must be assigned numbers  
3 by the department as they may be formed, beginning with the number 57.

4 (10) Each type of special license plate approved by the legislature, except collegiate license plates  
5 authorized in 61-3-463, must be a separate series of plates, numbered as provided in subsection (5),  
6 except that the county number must be replaced by a nonremovable design or decal designating the group  
7 or organization to which the applicant belongs. Unless otherwise specifically stated in this section, the  
8 special plates are subject to the same rules and laws as govern the issuance of regular license plates, must  
9 be placed or mounted on a vehicle owned by the person who is eligible to receive them, and must be  
10 removed upon sale or other disposition of the vehicle. The special license plates must be issued to national  
11 guard members, former prisoners of war, persons with disabilities, reservists, disabled veterans, survivors  
12 of the Pearl Harbor attack, veterans of the armed services, national guard veterans, legion of valor  
13 members, or veterans of the armed services who were awarded the purple heart medal, who comply with  
14 the following provisions:

15 (a) (i) An active member of the Montana national guard may be issued special license plates with  
16 a design or decal displaying the letters "NG". The adjutant general shall issue to each active member of  
17 the Montana national guard a certificate authorizing the department to issue national guard plates,  
18 numbered in sets of two with a different number on each set, and the member shall surrender the plates  
19 to the department upon becoming ineligible to use them.

20 (ii) The department may issue national guard veteran plates, bearing a design or decal displaying  
21 the Montana national guard insignia and the words "National Guard veteran" and numbered in sets of two  
22 with a different number on each set, to an applicant who presents to the department a copy of certification  
23 of national guard retirement eligibility issued by the appropriate authorities for the applicant or the  
24 applicant's deceased spouse and who pays, in addition to all taxes and fees required by parts 3 and 5 of  
25 this chapter, a national guard veteran license plate fee of \$10. The additional fee must be distributed in  
26 accordance with the provisions of subsection ~~(10)(f)(iii) and (10)(f)(iv)~~ (12).

27 (b) An active member of the reserve armed forces of the United States of America who is a  
28 resident of this state may be issued special license plates with a design or decal displaying the following:  
29 United States army reserve, AR (symbol); United States naval reserve, NR (anchor); United States air force  
30 reserve, AFR (symbol); and United States marine corps reserve, MCR (globe and anchor). The commanding



1 officer of each armed forces reserve unit shall issue to each eligible member of the reserve unit a  
2 certificate authorizing the issuance of special license plates, numbered in sets of two with a different  
3 number on each set. The member shall surrender the plates to the department upon becoming ineligible  
4 to use them.

5 (c) (i) A resident of Montana who is a veteran of the armed forces of the United States and who  
6 is 100% disabled because of an injury that has been determined by the department of veterans affairs to  
7 be service-connected may, upon presentation to the department of proof of the 100% disability, be issued:

8 (A) a special license plate under this section with a design or decal displaying the letters "DV";  
9 or

10 (B) one set of any other military-related plates that the disabled veteran is eligible to receive under  
11 this section.

12 (ii) The fee for original or renewal registration by a 100% disabled veteran for a passenger vehicle  
13 or a truck with a GVW-rated capacity of 1 ton or less is \$5 and is in lieu of all other fees and taxes for that  
14 vehicle under this chapter.

15 (iii) Special license plates issued to a disabled veteran are not transferable to another person.

16 (iv) A disabled veteran is not entitled to a special disabled veteran's license plate for more than one  
17 vehicle.

18 (v) A vehicle lawfully displaying a disabled veteran's plate and that is conveying a 100% disabled  
19 veteran is entitled to the parking privileges allowed a person with a disability's vehicle under this title.

20 (d) A Montana resident who is a veteran of the armed forces of the United States and was  
21 captured and held prisoner by a military force of a foreign nation, documented by the veteran's service  
22 record, may upon application and presentation of proof be issued special license plates, numbered in sets  
23 of two with a different number on each set, with a design or decal displaying the words "ex-prisoner of  
24 war" or an abbreviation that the department considers appropriate.

25 (i) Fees required under 61-3-321(1) ~~and (5)~~ may not be assessed upon one set of license plates  
26 issued to an ex-prisoner of war under this subsection (10)(d).

27 (ii) A special license plate fee may not be assessed upon one set of special license plates issued  
28 to an ex-prisoner of war under this subsection (10)(d).

29 (iii) An ex-prisoner of war is exempt from the ~~light vehicle taxes~~ registration fees imposed under  
30 ~~61-3-504~~ 61-3-560 through 61-3-562 for one vehicle that displays a set of ex-prisoner of war license

1 plates.

2 (iv) A surviving spouse of an ex-prisoner of war may retain the special license plates that have  
3 been issued to the ex-prisoner of war if the spouse complies with the provisions of 61-3-457.

4 (e) Except as provided in subsections (10)(c) and (10)(d), upon payment of all taxes and fees  
5 required by parts 3 and 5 of this chapter and upon furnishing proof satisfactory to the department that the  
6 applicant meets the requirements of this subsection (10)(e), the department shall issue to a Montana  
7 resident who is a veteran of the armed services of the United States special license plates, numbered in  
8 sets of two with a different number on each set, designed to indicate that the applicant is a survivor of  
9 the Pearl Harbor attack if the applicant was a member of the United States armed forces on December 7,  
10 1941, was on station on December 7, 1941, during the hours of 7:55 a.m. to 9:45 a.m. (Hawaii time)  
11 at Pearl Harbor, the island of Oahu, or was offshore at a distance of not more than 3 miles, and received  
12 an honorable discharge from the United States armed forces. If special license plates issued under  
13 subsection (10)(d) and this subsection are lost, stolen, or mutilated, the recipient of the plates is entitled  
14 to replacement plates upon request and without charge.

15 (f) A motor vehicle owner and resident of this state who is a veteran or the surviving spouse of  
16 a veteran of the armed services of the United States may be issued license plates inscribed as provided  
17 in subsection (10)(f)(i) if the veteran was separated from the armed services under other than dishonorable  
18 circumstances or was awarded the purple heart medal:

19 (i) Upon submission of a department of defense form 214(DD-214) or its successor or documents  
20 showing an other-than-dishonorable discharge or a reenlistment, proper identification, and other relevant  
21 documents to show an applicant's qualification under this subsection, there must be issued to the  
22 applicant, in lieu of the regular license plates prescribed by law, special license plates numbered in sets  
23 of two with a different number on each set. The plates must display:

24 (A) the word "VETERAN" and a symbol signifying the United States army, United States navy,  
25 United States air force, United States marine corps, or United States coast guard, according to the record  
26 of service verified in the application; or

27 (B) a symbol representing the purple heart medal.

28 (ii) Plates must be furnished by the department to the county treasurer, who shall issue them to  
29 a qualified veteran or to the veteran's surviving spouse. The plates must be placed or mounted on the  
30 vehicle owned by the veteran or the veteran's surviving spouse designated in the application and must be

1 removed upon sale or other disposition of the vehicle.

2 (iii) Except as provided in subsections (10)(c) and (10)(d), a veteran or surviving spouse who  
3 receives special license plates under this subsection (10)(f) is liable for payment of all taxes and fees  
4 required under parts 3 and 4 of this chapter and a special veteran's or purple heart medal license plate fee  
5 of \$10. ~~Upon an original application for a license under this subsection (10)(f), the county treasurer shall:~~

6 ~~—— (A) deposit \$3 of the special fee in the county general fund;~~

7 ~~—— (B) remit \$1 for deposit in the state general fund; and~~

8 ~~—— (C) deposit the remainder of the special fee in the state special revenue account established in~~  
9 ~~10-2-603 for administration, construction, operation, and maintenance of the state veterans' cemeteries.~~

10 ~~—— (iv) Upon subsequent annual renewal of registration, the county treasurer shall deposit all of the~~  
11 ~~special fee as provided in subsection (10)(f)(iii)(C).~~

12 (g) A Montana resident who is eligible to receive a special parking permit under 49-4-301 may,  
13 upon written application on a form prescribed by the department, be issued a special license plate with  
14 a design or decal bearing a representation of a wheelchair as the symbol of a person with a disability.

15 (h) The department may issue legion of valor license plates, bearing a design or decal depicting  
16 the recognized legion of valor medallion and numbered in sets of two with a different number on each set,  
17 to an applicant who presents to the department proper documentation of receipt of a legion of valor award  
18 by appropriate authorities to the applicant or the applicant's deceased spouse and who pays all taxes and  
19 fees required by parts 3 and 5 of this chapter.

20 (11) The provisions of this section do not apply to a motor vehicle, trailer, or semitrailer that is  
21 registered as part of a fleet, as defined in 61-3-712, and that is subject to the provisions of 61-3-711  
22 through 61-3-733.

23 (12) Fees collected under this section must be deposited in the state general fund."

24

25 ~~—— **Section 167.** Section 61-3-406, MCA, is amended to read:~~

26 ~~—— **"61-3-406. Fees for personalized plates -- disposition.** (1) In addition to all other fees and taxes~~  
27 ~~imposed by law, the applicant for a personalized license plate shall pay a fee of \$25 ~~\$20~~ \$25 for the~~  
28 ~~original personalized license plate and a fee of \$10 A FEE OF \$10 for each transfer or renewal thereof of the~~  
29 ~~personalized license plate.~~

30 ~~—— (2) The revenue derived from the fee as provided herein must be deposited as follows:~~

- 1 ~~—— (a) \$5 of the application fee and \$5 of the transfer or renewal fee in the county general fund; and~~  
2 ~~—— (b) \$20 of the application fee and \$5 of the transfer or renewal fee in the state general fund."~~

3  
4 **SECTION 166.** SECTION 61-3-406, MCA, IS AMENDED TO READ:

5 **"61-3-406. Fees for personalized plates -- disposition.** (1) In addition to all other fees and taxes  
6 imposed by law, the applicant for a personalized license plate shall pay a fee of \$25 for the original  
7 personalized license plate and a fee of \$10 for each transfer or renewal ~~thereof~~ of the personalized license  
8 plate.

9 (2) The revenue derived from the fee ~~as provided herein~~ must be deposited ~~as follows:~~

- 10 ~~—— (a) \$5 of the application fee and \$5 of the transfer or renewal fee in the county general fund; and~~  
11 ~~—— (b) \$20 of the application fee and \$5 of the transfer or renewal fee in the state general fund."~~

12  
13 ~~—— **Section 168.** Section 61-3-411, MCA, is amended to read:~~

14 ~~—— **"61-3-411. Registration of a motor vehicle owned and operated solely as a collector's item.** (1)~~  
15 ~~An owner of a motor vehicle that is more than 30 years old, and that is used solely as a collector's item~~  
16 ~~and not for general transportation purposes, may file with the department an application for the registration~~  
17 ~~of the motor vehicle. The application must be sworn to before an officer authorized to administer oaths.~~  
18 ~~The application must state:~~

- 19 ~~—— (a) the name and address of the owner;~~  
20 ~~—— (b) the name and address of the person from whom purchased;~~  
21 ~~—— (c) the make, the gross weight, the year and number of the model, and the manufacturer's~~  
22 ~~identification number and serial number of the motor vehicle; and~~  
23 ~~—— (d) that the vehicle is owned and operated solely as a collector's item and not for general~~  
24 ~~transportation purposes.~~

25 ~~—— (2) The registration fee for a motor vehicle registered under subsection (1) is:~~

- 26 ~~—— (a) for a vehicle weighing 2,850 pounds or less, \$5; and~~  
27 ~~—— (b) for a vehicle weighing more than 2,850 pounds, \$10.~~

28 ~~—— (3)(2) Upon receipt of the application for registration and payment of the registration fee, the~~  
29 ~~department shall file the application and register the motor vehicle therein described in the manner~~  
30 ~~specified in 61-3-101 and, unless the applicant chooses to exercise the option allowed in 61-3-412, shall~~

1 deliver to the applicant:

2 ~~—— (a) for a motor vehicle manufactured in 1933 or earlier, two license plates bearing the inscription~~  
3 ~~"Pioneer--Montana" and the registration number; or~~

4 ~~—— (b) for a motor vehicle manufactured in 1934 or later and more than 30 years old, two license~~  
5 ~~plates bearing the inscription "Vintage--Montana" and the registration number.~~

6 ~~—— (4)(3) The year of issuance may not be shown on the plates.~~

7 ~~—— (5)(4) Annual renewal of the registration of a motor vehicle registered under this section is not~~  
8 ~~required, and the registration is valid as long as the vehicle is in existence and owned by the initial~~  
9 ~~registrant.; provided, however, that upon Upon sale of the motor vehicle, the purchaser shall renew the~~  
10 ~~registration and pay the a license fees renewal fee provided in subsection (2) of \$10 FOR A VEHICLE WEIGHING~~  
11 ~~MORE THAN 2,850 POUNDS AND \$5 FOR A VEHICLE WEIGHING 2,850 POUNDS OR LESS."~~

12

13 **SECTION 167. SECTION 61-3-411, MCA, IS AMENDED TO READ:**

14 **"61-3-411. Registration of a motor vehicle owned and operated solely as a collector's item. (1)**

15 An owner of a motor vehicle that is more than 30 years old; and that is used solely as a collector's item  
16 and not for general transportation purposes; may file with the department an application for the registration  
17 of the motor vehicle. The application must be sworn to before an officer authorized to administer oaths.  
18 The application must state:

19 (a) the name and address of the owner;

20 (b) the name and address of the person from whom purchased;

21 (c) the make, the gross weight, the year and number of the model, and the manufacturer's  
22 identification number and serial number of the motor vehicle; and

23 (d) that the vehicle is owned and operated solely as a collector's item and not for general  
24 transportation purposes.

25 ~~—— (2) The registration fee for a motor vehicle registered under subsection (1) is:~~

26 ~~—— (a) for a vehicle weighing 2,850 pounds or less, \$5; and~~

27 ~~—— (b) for a vehicle weighing more than 2,850 pounds, \$10.~~

28 ~~(3)(2)~~ Upon receipt of the application for registration and payment of the registration fee, the  
29 department shall file the application and register the motor vehicle ~~therein described~~ in the manner  
30 specified in 61-3-101 and, unless the applicant chooses to exercise the option allowed in 61-3-412, shall

1 deliver to the applicant:

2 (a) for a motor vehicle manufactured in 1933 or earlier, two license plates bearing the inscription  
3 "Pioneer--Montana" and the registration number; or

4 (b) for a motor vehicle manufactured in 1934 or later and more than 30 years old, two license  
5 plates bearing the inscription "Vintage--Montana" and the registration number.

6 ~~(4)(3)~~ The year of issuance may not be shown on the plates.

7 ~~(5)(4)~~ Annual renewal of the registration of a motor vehicle registered under this section is not  
8 required, and the registration is valid as long as the vehicle is in existence and owned by the initial  
9 registrant. ~~provided, however, that upon~~ Upon sale of the motor vehicle, the purchaser shall renew the  
10 registration and pay the a license fees renewal fee provided in subsection (2) of \$10 for a vehicle weighing  
11 more than 2,850 pounds and \$5 for a vehicle weighing 2,850 pounds or less."

12

13 ~~Section 169.~~ Section 61-3-412, MCA, is amended to read:

14 ~~"61-3-412. Display of original Montana license plates on collector's item vehicle -- definition --~~  
15 ~~validation.~~ (1) As used in this section, "original Montana license plate" means a license plate issued  
16 according to the provisions of 61-3-331; section 53-116, R.C.M. 1947; section 1759.1, R.C.M. 1935;  
17 or section 1759, R.C.M. 1921; whichever section was effective during the year of the manufacture of the  
18 motor vehicle on which the license plate is authorized to be displayed.

19 ~~(2) Notwithstanding the provisions of 61-3-332, the department shall authorize the owner of a~~  
20 ~~motor vehicle registered as provided in 61-3-411 to display original Montana license plates, with validation~~  
21 ~~as required in subsection (3), after:~~

22 ~~(a) payment of the fee required in subsection (5);~~

23 ~~(b) inspection by a highway patrol officer of the original Montana license plate to be displayed on~~  
24 ~~the motor vehicle and, upon payment of a \$5 fee, receipt of the highway patrolman's patrol officer's~~  
25 ~~certification that he the officer has determined that the license plate is legible and meets the requirements~~  
26 ~~of subsection (1); and~~

27 ~~(c) receipt of an application by the owner of the motor vehicle as provided for in 61-3-411.~~

28 ~~(3) If the owner of a vehicle registered under the provisions of 61-3-314 meets the requirements~~  
29 ~~of subsection (2), the department shall:~~

30 ~~(a) file the application and register information on the motor vehicle in the manner prescribed in~~

1 ~~61-3-101, and~~  
2 ~~—— (b) issue a validating decal inscribed with:~~  
3 ~~—— (i) a unique number; and~~  
4 ~~—— (ii) the letter:~~  
5 ~~—— (A) "P" to designate vehicles described in 61-3-411(3)(a) 61-3-411(2)(a); or~~  
6 ~~—— (B) "V" to designate vehicles described in 61-3-411(3)(b) 61-3-411(2)(b).~~  
7 ~~—— (4) The owner of the motor vehicle shall permanently affix the validating decal to the windshield~~  
8 ~~of the collector's item motor vehicle or, if no a windshield exists does not exist, to another prominent and~~  
9 ~~visible position on the vehicle.~~  
10 ~~—— (5) The owner of the motor vehicle shall pay to the department with the application required under~~  
11 ~~this section a one-time special collector's item motor vehicle license fee of \$20."~~

12  
13 **SECTION 168. SECTION 61-3-412, MCA, IS AMENDED TO READ:**

14 **"61-3-412. Display of original Montana license plates on collector's item vehicle -- definition --**  
15 **validation.** (1) As used in this section, "original Montana license plate" means a license plate issued  
16 according to the provisions of 61-3-331; section 53-116, R.C.M. 1947; section 1759.1, R.C.M. 1935;  
17 or section 1759, R.C.M. 1921; whichever section was effective during the year of the manufacture of the  
18 motor vehicle on which the license plate is authorized to be displayed.

19 (2) Notwithstanding the provisions of 61-3-332, the department shall authorize the owner of a  
20 motor vehicle registered as provided in 61-3-411 to display original Montana license plates, with validation  
21 as required in subsection (3), after:

22 (a) payment of the fee required in subsection (5);

23 (b) inspection by a highway patrol officer of the original Montana license plate to be displayed on  
24 the motor vehicle and, upon payment of a \$5 fee, receipt of the highway ~~patrolman's~~ patrol officer's  
25 certification that ~~he~~ the officer has determined that the license plate is legible and meets the requirements  
26 of subsection (1); and

27 (c) receipt of an application by the owner of the motor vehicle as provided for in 61-3-411.

28 (3) If the owner of a vehicle registered under the provisions of 61-3-314 meets the requirements  
29 of subsection (2), the department shall:

30 (a) file the application and register information on the motor vehicle in the manner prescribed in

1 61-3-101; and

2 (b) issue a validating decal inscribed with:

3 (i) a unique number; and

4 (ii) the letter:

5 (A) "P" to designate vehicles described in ~~61-3-411(3)(a)~~ 61-3-411(2)(a); or

6 (B) "V" to designate vehicles described in ~~61-3-411(3)(b)~~ 61-3-411(2)(b).

7 (4) The owner of the motor vehicle shall permanently affix the validating decal to the windshield  
8 of the collector's item motor vehicle or, if ~~no a~~ windshield ~~exists~~ does not exist, to another prominent and  
9 visible position on the vehicle.

10 (5) The owner of the motor vehicle shall pay to the department with the application required under  
11 this section a one-time special collector's item motor vehicle license fee of \$20."

12

13 ~~Section 187. Section 61-3-422, MCA, is amended to read:~~

14 ~~"61-3-422. Issuance -- application -- additional fee. The department shall issue lettered license~~  
15 ~~plates as provided in 61-3-421 to amateur radio operators upon:~~

16 ~~----- (1) application showing proof that the applicant is the owner and holder of an amateur radio~~  
17 ~~station license and operator's license;~~

18 ~~----- (2) compliance with the state motor vehicle laws relating to registration and licensing of motor~~  
19 ~~vehicles;~~

20 ~~----- (3) payment, or proof of payment, of all other fees and taxes applicable to regular motor vehicle~~  
21 ~~license plates; and~~

22 ~~----- (4) payment of a \$5 \$10 additional fee."~~

23

24 ~~Section 170. Section 61-3-426, MCA, is amended to read:~~

25 ~~"61-3-426. Combined license plates. (1) An application for license plates for amateur radio~~  
26 ~~operators may be combined with an application for the special license plates issued to veterans of the~~  
27 ~~armed services who comply with the provisions in 61-3-332(10)(d), (10)(e), and (10)(f) or with an~~  
28 ~~application for special license plates issued to a person with a disability who complies with the provisions~~  
29 ~~in 61-3-332(10)(g). The applicant for the combined license plates is liable for the payment of all taxes and~~  
30 ~~fees applicable to regular motor vehicle license plates and shall pay an additional fee of \$5 \$10 \$5 for the~~



1 original issuance as provided in 61-3-422.

2 ~~——— (2) An application for license plates for amateur radio operators may be combined with an~~  
3 ~~application for license plates for disabled veterans as provided in 61-3-332(10)(c). The fees for the~~  
4 ~~registration of the combined license plates are the fees provided for in 61-3-332(10)(c) and in 61-3-422.~~  
5 ~~The fees are in lieu of all other fees and taxes for that vehicle under this chapter.~~

6 ~~——— (3) An application for license plates for amateur radio operators may be combined with an~~  
7 ~~application for license plates for ex-prisoners of war as provided in 61-3-332(10)(d). The fees required~~  
8 ~~under 61-3-321(1) and (5) may not be assessed upon one set of combination license plates issued to an~~  
9 ~~ex-prisoner of war. An ex-prisoner of war receiving combination license plates under this section is liable~~  
10 ~~for the fees required under 61-3-422.~~

11 ~~——— (4) The combined license plates must be stamped with the official amateur radio call letters of the~~  
12 ~~owner as assigned to the owner by the federal communications commission. The plates must also be~~  
13 ~~stamped with the design or decal provided for in 61-3-332(10)(c), (10)(d), (10)(e), (10)(f), or (10)(g)."~~

14

15 **SECTION 169. SECTION 61-3-426, MCA, IS AMENDED TO READ:**

16 **"61-3-426. Combined license plates.** (1) An application for license plates for amateur radio  
17 operators may be combined with an application for the special license plates issued to veterans of the  
18 armed services who comply with the provisions in 61-3-332(10)(d), (10)(e), and (10)(f) or with an  
19 application for special license plates issued to a person with a disability who complies with the provisions  
20 in 61-3-332(10)(g). The applicant for the combined license plates is liable for the payment of all taxes and  
21 fees applicable to regular motor vehicle license plates and shall pay an additional fee of \$5 for the original  
22 issuance as provided in 61-3-422.

23 (2) An application for license plates for amateur radio operators may be combined with an  
24 application for license plates for disabled veterans as provided in 61-3-332(10)(c). The fees for the  
25 registration of the combined license plates are the fees provided for in 61-3-332(10)(c) and in 61-3-422.  
26 The fees are in lieu of all other fees and taxes for that vehicle under this chapter.

27 (3) An application for license plates for amateur radio operators may be combined with an  
28 application for license plates for ex-prisoners of war as provided in 61-3-332(10)(d). The fees required  
29 under 61-3-321(1) ~~and (5)~~ may not be assessed upon one set of combination license plates issued to an  
30 ex-prisoner of war. An ex-prisoner of war receiving combination license plates under this section is liable

1 for the fees required under 61-3-422.

2 (4) The combined license plates must be stamped with the official amateur radio call letters of the  
3 owner as assigned to the owner by the federal communications commission. The plates must also be  
4 stamped with the design or decal provided for in 61-3-332(10)(c), (10)(d), (10)(e), (10)(f), or (10)(g)."

5

6 ~~Section 171. Section 61-3-431, MCA, is amended to read:~~

7 ~~"61-3-431. Special mobile equipment -- exemption from registration and payment of fees and~~  
8 ~~charges -- identification plate -- publicly owned special mobile equipment. (1) A person, firm, partnership,~~  
9 ~~or corporation who owns, leases, or rents special mobile equipment as defined in 61-1-104 and~~  
10 ~~occasionally moves that equipment on, over, or across the highways of the state is not subject to~~  
11 ~~registration of that equipment or required to pay the fees and charges provided for in 61-4-301 through~~  
12 ~~61-4-308 or part 2 of chapter 10. Prior to movement on the highways, however, each piece of equipment~~  
13 ~~must display an equipment identification plate or a dealer's license plate attached to the equipment.~~

14 ~~(2) Annual application for the identification plate must be made to the county treasurer before any~~  
15 ~~piece of equipment is moved on the highways. Application must be made on a form furnished by the~~  
16 ~~department of justice, together with the payment of a fee of \$5 \$10 \$5. The equipment for which a~~  
17 ~~special mobile equipment plate is sought is subject to the assessment of personal property taxes on the~~  
18 ~~date application is made for the plate. The personal property taxes assessed against the special mobile~~  
19 ~~equipment must be paid before the issuance of a special mobile equipment plate may be issued. The fees~~  
20 ~~collected under this section belong to the county road must be deposited in the state general fund.~~

21 ~~(3) The identification plate expires on December 31 of each year. If the expired identification plate~~  
22 ~~is displayed, an owner of special mobile equipment registered under the provisions of this section is~~  
23 ~~entitled to operate the equipment between January 1 and February 15 following expiration without~~  
24 ~~displaying the identification plate or receipt of the current year.~~

25 ~~(4) Publicly owned special mobile equipment and implements of husbandry used exclusively by~~  
26 ~~an owner in the conduct of the owner's farming operations are exempt from this section."~~

27

28 SECTION 170. SECTION 61-3-431, MCA, IS AMENDED TO READ:

29 "61-3-431. Special mobile equipment -- exemption from registration and payment of fees and  
30 charges -- identification plate -- publicly owned special mobile equipment. (1) A person, firm, partnership,

1 or corporation who owns, leases, or rents special mobile equipment as defined in 61-1-104 and  
2 occasionally moves that equipment on, over, or across the highways of the state is not subject to  
3 registration of that equipment or required to pay the fees and charges provided for in 61-4-301 through  
4 61-4-308 or part 2 of chapter 10. Prior to movement on the highways, however, each piece of equipment  
5 must display an equipment identification plate or a dealer's license plate attached to the equipment.

6 (2) Annual application for the identification plate must be made to the county treasurer before any  
7 piece of equipment is moved on the highways. Application must be made on a form furnished by the  
8 department of justice, together with the payment of a fee of \$5. The equipment for which a special mobile  
9 equipment plate is sought is subject to the assessment of personal property taxes on the date application  
10 is made for the plate. The personal property taxes assessed against the special mobile equipment must  
11 be paid before the issuance of a special mobile equipment plate may be issued. The fees collected under  
12 this section ~~belong to the county road~~ must be deposited in the state general fund.

13 (3) The identification plate expires on December 31 of each year. If the expired identification plate  
14 is displayed, an owner of special mobile equipment registered under the provisions of this section is  
15 entitled to operate the equipment between January 1 and February 15 following expiration without  
16 displaying the identification plate or receipt of the current year.

17 (4) Publicly owned special mobile equipment and implements of husbandry used exclusively by  
18 an owner in the conduct of the owner's farming operations are exempt from this section."

19  
20 ~~Section 190. Section 61-3-453, MCA, is amended to read:~~

21 ~~"61-3-453. Disabled veterans' plates limited to one automobile or truck -- personalized plates. (1)~~  
22 ~~A disabled veteran is not entitled to special license plates for disabled veterans under 61-3-332(10)(c)(i)(A)~~  
23 ~~or 61-3-426(2) for more than one passenger automobile or one truck up to and including 1 ton GVW-rated~~  
24 ~~capacity.~~

25 ~~(2) Upon submitting the application provided for in 61-3-405 and payment of the \$25 fee provided~~  
26 ~~for in 61-3-406, a disabled veteran must receive personalized disabled veteran license plates."~~

27  
28 ~~Section 172. Section 61-3-457, MCA, is amended to read:~~

29 ~~"61-3-457. Ex-prisoner of war license plates transferable to spouse -- conditions. Upon the death~~  
30 ~~of an ex-prisoner of war and providing that the surviving spouse does not remarry, the spouse of an~~

~~ex-prisoner of war may retain and renew the one set of special license plates issued under 61-3-332(10)(d) and is not liable for light vehicle taxes under 61-3-504, for the fees required under 61-3-321(1) and (5), or for the special license plate fees required under 61-3-332."~~

**SECTION 171. SECTION 61-3-457, MCA, IS AMENDED TO READ:**

**"61-3-457. Ex-prisoner of war license plates transferable to spouse -- conditions.** Upon the death of an ex-prisoner of war and providing that the surviving spouse does not remarry, the spouse of an ex-prisoner of war may retain and renew the one set of special license plates issued under 61-3-332(10)(d) and is not liable for light vehicle taxes under 61-3-504, for the fees required under 61-3-321(1) ~~and (5),~~ or for the special license plate fees required under 61-3-332."

~~Section 173. Section 61-3-465, MCA, is amended to read:~~

~~"61-3-465. Issuance -- application -- additional fee -- disposition. (1) The department shall issue or renew collegiate license plates upon receipt of an application that shows:~~

~~(a) compliance with 61-3-303, 61-3-311, and 61-3-312; and~~

~~(b) payment to the county treasurer of:~~

~~(i) an initial application and manufacturing fee of \$2.50, when required; and~~

~~(ii) an annual scholarship donation of \$20 for the benefit of the institution named in the application.~~

~~(2) Once each month the county treasurer shall transfer to the state treasurer the total of the amounts collected for:~~

~~(a) the initial application and manufacturing fee for deposit in the Montana state prison industries account in the proprietary fund for appropriation by the legislature to pay the cost of manufacturing collegiate license plates state general fund; and~~

~~(b) scholarship donations provided for in subsection (1)(b)(ii), along with a schedule showing the number of collegiate license plates issued and the total donations received for the benefit of each institution.~~

~~(3) Once each month the state treasurer shall distribute to the student academic scholarship fund or foundation of each institution an amount equal to the total donations credited to that institution and transferred to the state treasurer by the county treasurers during the preceding month."~~

**SECTION 172.** ~~SECTION 61-3-465, MCA, IS AMENDED TO READ:~~

**"61-3-465. Issuance -- application -- additional fee -- disposition.** (1) The department shall issue or renew collegiate license plates upon receipt of an application that shows:

(a) compliance with 61-3-303, 61-3-311, and 61-3-312; and

(b) payment to the county treasurer of:

(i) an initial application and manufacturing fee of \$2.50, when required; and

(ii) an annual scholarship donation of \$20 for the benefit of the institution named in the application.

(2) Once each month the county treasurer shall transfer to the state treasurer the total of the amounts collected for:

(a) the initial application and manufacturing fee for deposit in the ~~Montana state prison industries account in the proprietary fund for appropriation by the legislature to pay the cost of manufacturing collegiate license plates~~ state general fund; and

(b) scholarship donations provided for in subsection (1)(b)(ii), along with a schedule showing the number of collegiate license plates issued and the total donations received for the benefit of each institution.

(3) Once each month the state treasurer shall distribute to the student academic scholarship fund or foundation of each institution an amount equal to the total donations credited to that institution and transferred to the state treasurer by the county treasurers during the preceding month."

~~Section 174. Section 61-3-509, MCA, is amended to read:~~

~~"61-3-509. Disposition of taxes fees. (1) All registration fees imposed by 61-3-561 from light vehicles, all registration fees imposed by 61-3-522 from motor homes, all fees in lieu of tax imposed by 61-3-527 from motorcycles and quadricycles, and all fees imposed by 61-3-529 from buses, motor vehicles having a manufacturer's rated capacity of more than 1 ton, and truck tractors, for which a license is sought and an original application for title that includes a manufacturer's statement of origin is made, must be remitted to the state treasurer every 30 days. The state treasurer shall credit the payments to the highway restricted state special revenue account~~ state general fund.

~~(2) Except as provided in subsections (1) and (3), the county treasurer shall, after deducting the district court fee, credit all taxes on motor vehicles, registration fees on light vehicles, and fees in lieu of tax on motorcycles, quadricycles, motor homes, travel trailers, campers, trailers, pole trailers, semitrailers,~~

~~buses, trucks having a manufacturer's rated capacity of more than 1 ton, and truck tractors collected under 61-3-521, 61-3-527, 61-3-529, 61-3-537, and 61-3-560 through 61-3-562 to a motor vehicle suspense fund. At some time between March 1 and March 10 of each year and every 60 days after that date, the county treasurer shall distribute the money in the motor vehicle suspense fund. Except for registration fees collected under 61-3-560 through 61-3-562, the county treasurer shall distribute the money in the fund in the relative proportions required by the levies for state, county, school district, and municipal purposes in the same manner as personal property taxes are distributed. For money in the fund collected under 61-3-527 and 61-3-560 through 61-3-562, the county treasurer shall disregard the statewide mills levied for the university system, county elementary and high school equalization under 20-9-331 and 20-9-333, the mills levied for state equalization aid under 20-9-360, and the mills levied for state assumption of public assistance under 53-2-813 in determining distribution proportions of the money and may not distribute money collected under 61-3-527 and 61-3-560 through 61-3-562 to the state for those levies.~~

~~———(3) The county treasurer shall deduct as a district court fee 10% of the amount of the registration fee collected on light vehicles under 61-3-560 through 61-3-562. The county treasurer shall credit the fee for district courts to a separate suspense account and shall forward the amount in the account to the state treasurer at the time that the county treasurer distributes money from the motor vehicle suspense fund. The state treasurer shall credit amounts received under this subsection to the state special revenue fund to be used for purposes of state funding of district court expenses as provided in 3-5-901."~~

**SECTION 173. SECTION 61-3-509, MCA, IS AMENDED TO READ:**

**"61-3-509. Disposition of taxes fees.** (1) All registration fees imposed by 61-3-561 from light vehicles, all registration fees imposed by 61-3-522 from motor homes, all fees in lieu of tax imposed by 61-3-527 from motorcycles and quadricycles, and all fees imposed by 61-3-529 from buses, motor vehicles having a manufacturer's rated capacity of more than 1 ton, and truck tractors, for which a license is sought and an original application for title that includes a manufacturer's statement of origin is made, must be remitted to the state treasurer every 30 days. The state treasurer shall credit the payments to the ~~highway restricted state special revenue account~~ state general fund.

~~(2) Except as provided in subsections (1) and (3), the county treasurer shall, after deducting the district court fee, credit all taxes on motor vehicles, registration fees on light vehicles, and fees in lieu of~~

~~tax on motorcycles, quadricycles, motor homes, travel trailers, campers, trailers, pole trailers, semitrailers, buses, trucks having a manufacturer's rated capacity of more than 1 ton, and truck tractors collected under 61-3-521, 61-3-527, 61-3-529, 61-3-537, and 61-3-560 through 61-3-562 to a motor vehicle suspense fund. At some time between March 1 and March 10 of each year and every 60 days after that date, the county treasurer shall distribute the money in the motor vehicle suspense fund. Except for registration fees collected under 61-3-560 through 61-3-562, the county treasurer shall distribute the money in the fund in the relative proportions required by the levies for state, county, school district, and municipal purposes in the same manner as personal property taxes are distributed. For money in the fund collected under 61-3-527 and 61-3-560 through 61-3-562, the county treasurer shall disregard the statewide mills levied for the university system, county elementary and high school equalization under 20-9-331 and 20-9-333, the mills levied for state equalization aid under 20-9-360, and the mills levied for state assumption of public assistance under 53-2-813 in determining distribution proportions of the money and may not distribute money collected under 61-3-527 and 61-3-560 through 61-3-562 to the state for those levies.~~

~~——— (3) The county treasurer shall deduct as a district court fee 10% of the amount of the registration fee collected on light vehicles under 61-3-560 through 61-3-562. The county treasurer shall credit the fee for district courts to a separate suspense account and shall forward the amount in the account to the state treasurer at the time that the county treasurer distributes money from the motor vehicle suspense fund. The state treasurer shall credit amounts received under this subsection to the state special revenue fund to be used for purposes of state funding of district court expenses as provided in 3-5-901."~~

~~——— **Section 175.** Section 61-3-524, MCA, is amended to read:~~

~~——— "**61-3-524. Decal required on camper -- application for decal -- application fee -- issuance.** (1) A camper, that is subject to the fee in lieu of tax imposed under 61-3-521, may not be operated by a person on the public highways or streets in this state unless there is displayed in a conspicuous place on the camper a decal as visual proof that the fee has been paid on the camper for the current year.~~

~~——— (2) Application for the issuance of the decal must be made to the county treasurer in the county of the owner's residence, accompanied by an application fee of \$1 \$6 \$1 \$4.50, on a form furnished by the department, which may be obtained at the county treasurer's office. The form must provide for substantially the following information:~~

1 ~~\_\_\_\_\_ (a) name of owner;~~  
2 ~~\_\_\_\_\_ (b) address;~~  
3 ~~\_\_\_\_\_ (c) name of manufacturer;~~  
4 ~~\_\_\_\_\_ (d) model number;~~  
5 ~~\_\_\_\_\_ (e) make;~~  
6 ~~\_\_\_\_\_ (f) year of manufacture; and~~  
7 ~~\_\_\_\_\_ (g) other information that the department may require.~~  
8 ~~\_\_\_\_\_ (3) (a) The county treasurer shall sign the application and transmit the application and the fee to~~  
9 ~~the department. The fee must be deposited in the state general fund.~~  
10 ~~\_\_\_\_\_ (b) Upon receipt of the application in approved form and payment of the fee in lieu of tax by the~~  
11 ~~applicant, the county treasurer shall issue to the applicant a numbered decal in the style and design~~  
12 ~~prescribed by the department and of a different color than the preceding year."~~

13  
14 **SECTION 174. SECTION 61-3-524, MCA, IS AMENDED TO READ:**

15 **"61-3-524. Decal required on camper -- application for decal -- application fee -- issuance. (1) A**  
16 **camper; that is subject to the fee in lieu of tax imposed under 61-3-521; may not be operated by a person**  
17 **on the public highways or streets in this state unless there is displayed in a conspicuous place on the**  
18 **camper a decal as visual proof that the fee has been paid on the camper for the current year.**

19 (2) Application for the issuance of the decal must be made to the county treasurer in the county  
20 of the owner's residence, accompanied by an application fee of ~~\$1~~ \$4.50, on a form furnished by the  
21 department, which may be obtained at the county treasurer's office. The form must provide for  
22 substantially the following information:

23 (a) name of owner;  
24 (b) address;  
25 (c) name of manufacturer;  
26 (d) model number;  
27 (e) make;  
28 (f) year of manufacture; and  
29 (g) other information that the department may require.

30 (3) (a) The county treasurer shall sign the application and transmit the application and the fee to



1 the department. The fee must be deposited in the state general fund.

2 (b) Upon receipt of the application in approved form and payment of the fee in lieu of tax by the  
3 applicant, the county treasurer shall issue to the applicant a numbered decal in the style and design  
4 prescribed by the department and of a different color than the preceding year."

5

6 ~~SECTION 176. SECTION 61-3-527, MCA, IS AMENDED TO READ:~~

7 ~~"61-3-527. Fee in lieu of tax for motorcycles and quadricycles -- schedule of fees -- permanent~~  
8 ~~registration. (1) (a) There is a fee in lieu of property tax imposed on motorcycles and quadricycles. The~~  
9 ~~fee is in addition to annual registration fees.~~

10 ~~———— (b) The fee imposed by subsection (1)(a) is not required to be paid by a dealer for motorcycles or~~  
11 ~~quadricycles that constitute inventory of the dealership.~~

12 ~~———— (2) The owner of a motorcycle or quadricycle shall pay a fee based on the age of the motorcycle~~  
13 ~~or quadricycle and the size of the engine, as follows:~~

14 ~~———— (a) The fee schedule for a motorcycle or quadricycle with an engine that measures from 1 cubic~~  
15 ~~centimeter to 600 cubic centimeters is as follows:~~

16 ~~———— (i) less than 5 years old, \$30;~~

17 ~~———— (ii) 5 years old and less than 11 years old, \$15; and~~

18 ~~———— (iii) 11 years old and older, \$6.~~

19 ~~———— (b) The fee schedule for a motorcycle or quadricycle with an engine that measures from 601 cubic~~  
20 ~~centimeters to 1,000 cubic centimeters is as follows:~~

21 ~~———— (i) less than 5 years old, \$55;~~

22 ~~———— (ii) 5 years old and less than 11 years old, \$20; and~~

23 ~~———— (iii) 11 years old and older, \$6.~~

24 ~~———— (c) The fee schedule for a motorcycle or quadricycle with an engine that measures 1,001 cubic~~  
25 ~~centimeters and larger is as follows:~~

26 ~~———— (i) less than 5 years old, \$90;~~

27 ~~———— (ii) 5 years old and less than 11 years old, \$50; and~~

28 ~~———— (iii) 11 years old and older, \$6.~~

29 ~~———— (3) (a) Except as provided in subsection (3)(b), the age of a motorcycle or quadricycle is~~  
30 ~~determined by subtracting the manufacturer's designated model year from the current calendar year.~~

~~———— (b) If the purchase year of a motorcycle or quadricycle precedes the designated model year of the motorcycle or quadricycle and the motorcycle or quadricycle is originally titled in Montana, then the purchase year is considered the model year for the purposes of calculating the fee in lieu of tax.~~

~~———— (4) (a) The owner of a motorcycle or quadricycle that is 11 years old or older and that is subject to the fee in lieu of tax under this section may permanently register the motorcycle or quadricycle upon payment of a \$30 fee in lieu of tax, the applicable registration and license fees under 61-3-321, and an amount equal to five times the applicable fees imposed or amounts calculated for each of the following:~~

~~———— (i) the motorcycle safety training fee under 20-25-1007 61-3-321 to be deposited in the account provided for in 20-25-1002;~~

~~———— (ii) weed control fees under 61-3-510 [section 3(3)(b)];~~

~~———— (iii) \$1 for the former county motor vehicle computer fees under 61-3-511 fee; and~~

~~———— (iv) if applicable, renewal fees for personalized plates under 61-3-406.~~

~~———— (b) A person who permanently registers a motorcycle or quadricycle as provided in this subsection (4) shall pay an additional \$2 fee at the time of registration for deposit in the state general fund. The department shall pay from the general fund an amount equal to the \$2 fee collected under this subsection (4)(b) from each vehicle registration to the pension trust fund for payment of supplemental benefits provided for in 19-6-709."~~

**SECTION 175. SECTION 61-3-527, MCA, IS AMENDED TO READ:**

**"61-3-527. Fee in lieu of tax for motorcycles and quadricycles -- schedule of fees -- permanent registration.** (1) (a) There is a fee in lieu of property tax imposed on motorcycles and quadricycles. The fee is in addition to annual registration fees.

(b) The fee imposed by subsection (1)(a) is not required to be paid by a dealer for motorcycles or quadricycles that constitute inventory of the dealership.

(2) The owner of a motorcycle or quadricycle shall pay a fee based on the age of the motorcycle or quadricycle and the size of the engine, as follows:

(a) The fee schedule for a motorcycle or quadricycle with an engine that measures from 1 cubic centimeter to 600 cubic centimeters is as follows:

(i) less than 5 years old, \$30;

(ii) 5 years old and less than 11 years old, \$15; and

(iii) 11 years old and older, \$6.

(b) The fee schedule for a motorcycle or quadricycle with an engine that measures from 601 cubic centimeters to 1,000 cubic centimeters is as follows:

(i) less than 5 years old, \$55;

(ii) 5 years old and less than 11 years old, \$20; and

(iii) 11 years old and older, \$6.

(c) The fee schedule for a motorcycle or quadricycle with an engine that measures 1,001 cubic centimeters and larger is as follows:

(i) less than 5 years old, \$90;

(ii) 5 years old and less than 11 years old, \$50; and

(iii) 11 years old and older, \$6.

(3) (a) Except as provided in subsection (3)(b), the age of a motorcycle or quadricycle is determined by subtracting the manufacturer's designated model year from the current calendar year.

(b) If the purchase year of a motorcycle or quadricycle precedes the designated model year of the motorcycle or quadricycle and the motorcycle or quadricycle is originally titled in Montana, then the purchase year is considered the model year for the purposes of calculating the fee in lieu of tax.

(4) (a) The owner of a motorcycle or quadricycle that is 11 years old or older and that is subject to the fee in lieu of tax under this section may permanently register the motorcycle or quadricycle upon payment of a \$30 fee in lieu of tax, the applicable registration and license fees under 61-3-321, and an amount equal to five times the applicable fees imposed or amounts calculated for each of the following:

(i) the motorcycle safety ~~training~~ fee under ~~20-25-1007~~ 61-3-321 to be deposited in the account provided for in 20-25-1002;

(ii) weed control ~~fees~~ under ~~61-3-510~~ [section 3(3)(b)];

(iii) \$1 for the former county motor vehicle computer ~~fees under 61-3-511~~ fee; and

(iv) if applicable, renewal fees for personalized plates under 61-3-406.

(b) A person who permanently registers a motorcycle or quadricycle as provided in this subsection (4) shall pay an additional \$2 fee at the time of registration for deposit in the state general fund. The department shall pay from the general fund an amount equal to the \$2 fee collected under this subsection (4)(b) from each vehicle registration to the pension trust fund for payment of supplemental benefits provided for in 19-6-709."

1

2 ~~Section 177. Section 61-3-707, MCA, is amended to read:~~

3 ~~"61-3-707. Foreign vehicles used for transportation in connection with employment. (1) (a) Before~~  
4 ~~a motor vehicle that has been assessed a fee pursuant to 15-24-301(4) may be operated in Montana for~~  
5 ~~a calendar quarter, the person responsible for payment of fees shall apply for and obtain a window decal~~  
6 ~~provided by the department.~~

7 ~~(b) Decals must be color-coded to distinguish the four quarterly registration periods of the year.~~

8 ~~(c) An applicant may purchase a decal for more than one registration quarter at a time by paying~~  
9 ~~the appropriate amount.~~

10 ~~(d) There is a \$2 fee for each decal, and money collected from this fee must be deposited to the~~  
11 ~~county state general fund. The \$2 fee is in addition to the registration fee.~~

12 ~~(e) A current window decal must be displayed on the lower right-hand corner of the windshield.~~

13 ~~(2) (a) Before a motor vehicle exempted pursuant to 15-6-217 may be operated in Montana, the~~  
14 ~~person responsible for the motor vehicle shall apply for and obtain a window decal from the county~~  
15 ~~treasurer. The department shall supply the decals to the county treasurers.~~

16 ~~(b) An application approved by the department must include a verification from the employer that~~  
17 ~~the person is employed by a health care facility in a rural, medically underserved area that experiences~~  
18 ~~difficulty in recruiting and retention of health care professionals.~~

19 ~~(c) Decals expire each year on December 31 of the year in which issued, and application for~~  
20 ~~reregistration must be filed with the county treasurer no later than February 15 of each year. Decals must~~  
21 ~~be color-coded to distinguish the year.~~

22 ~~(d) A current window decal must be displayed on the lower right-hand corner of the windshield."~~

23

24 **SECTION 176. SECTION 61-3-707, MCA, IS AMENDED TO READ:**

25 **"61-3-707. Foreign vehicles used for transportation in connection with employment. (1) (a) Before**  
26 **a motor vehicle that has been assessed a fee pursuant to 15-24-301(4) may be operated in Montana for**  
27 **a calendar quarter, the person responsible for payment of fees shall apply for and obtain a window decal**  
28 **provided by the department.**

29 (b) Decals must be color-coded to distinguish the four quarterly registration periods of the year.

30 (c) An applicant may purchase a decal for more than one registration quarter at a time by paying

1 the appropriate amount.

2 (d) There is a \$2 fee for each decal, and money collected from this fee must be deposited to the  
3 ~~county~~ state general fund. The \$2 fee is in addition to the registration fee.

4 (e) A current window decal must be displayed on the lower right-hand corner of the windshield.

5 (2) (a) Before a motor vehicle exempted pursuant to 15-6-217 may be operated in Montana, the  
6 person responsible for the motor vehicle shall apply for and obtain a window decal from the county  
7 treasurer. The department shall supply the decals to the county treasurers.

8 (b) An application approved by the department must include a verification from the employer that  
9 the person is employed by a health care facility in a rural, medically underserved area that experiences  
10 difficulty in recruiting and retention of health care professionals.

11 (c) Decals expire each year on December 31 of the year in which issued, and application for  
12 reregistration must be filed with the county treasurer no later than February 15 of each year. Decals must  
13 be color-coded to distinguish the year.

14 (d) A current window decal must be displayed on the lower right-hand corner of the windshield."  
15

16 ~~Section 178. Section 61-3-738, MCA, is amended to read:~~

17 ~~"61-3-738. Deposit and distribution of fees on proportionally registered fleets. The fees in lieu of~~  
18 ~~tax and license fees collected under this part must be deposited with the state treasurer for distribution~~  
19 ~~to the general fund of each county on the following basis:~~

20 ~~—— (1) for fleet vehicle fees in lieu of tax, according to the ratio of the taxable valuation of each~~  
21 ~~county to the total state taxable valuation; and~~

22 ~~—— (2) for fleet vehicle license fees, according to the ratio of vehicle license fees, other than fees~~  
23 ~~derived from interstate motor vehicle fleets, collected in each county to the sum of all fleet vehicle fees~~  
24 ~~collected in all the counties in the highway nonrestricted account."~~

25

26 SECTION 177. SECTION 61-3-738, MCA, IS AMENDED TO READ:

27 **"61-3-738. Deposit and distribution of fees on proportionally registered fleets.** The fees in lieu of  
28 tax and license fees collected under this part must be deposited with the state treasurer ~~for distribution~~  
29 ~~to the general fund of each county on the following basis:~~

30 ~~—— (1) for fleet vehicle fees in lieu of tax, according to the ratio of the taxable valuation of each~~

1 ~~county to the total state taxable valuation; and~~

2 ~~—— (2) for fleet vehicle license fees, according to the ratio of vehicle license fees, other than fees~~  
3 ~~derived from interstate motor vehicle fleets, collected in each county to the sum of all fleet vehicle fees~~  
4 ~~collected in all the counties in the highway nonrestricted account."~~

5  
6 ~~—— **Section 179.** Section 61-9-312, MCA, is amended to read:~~

7 ~~—— **"61-9-312. Performance ability of brakes.** On a dry, hard, approximately level stretch of highway~~  
8 ~~free from loose material, a motor vehicle or combination of vehicles, upon application of the service brake,~~  
9 ~~must be capable of stopping at a speed of 20 miles an hour within the following distances:~~

10 ~~—— (1) 25 feet for passenger motor vehicles, except buses and pioneer vehicles;~~

11 ~~—— (2) 40 feet for buses, trucks, and tractor trucks;~~

12 ~~—— (3) 45 feet for motor vehicles registered or qualified to be registered as pioneer vehicles under~~  
13 ~~61-3-411(3)(a) 61-3-411(2)(a) when equipped with two-wheel brakes or 25 feet when equipped with~~  
14 ~~four-wheel brakes;~~

15 ~~—— (4) 40 feet for all combinations of vehicles; and~~

16 ~~—— (5) 30 feet for motorcycles, quadricycles, and motor-driven cycles."~~

17  
18 **SECTION 178.** SECTION 61-9-312, MCA, IS AMENDED TO READ:

19 **"61-9-312. Performance ability of brakes.** On a dry, hard, approximately level stretch of highway  
20 free from loose material, a motor vehicle or combination of vehicles, upon application of the service brake,  
21 must be capable of stopping at a speed of 20 miles an hour within the following distances:

22 (1) 25 feet for passenger motor vehicles, except buses and pioneer vehicles;

23 (2) 40 feet for buses, trucks, and tractor trucks;

24 (3) 45 feet for motor vehicles registered or qualified to be registered as pioneer vehicles under  
25 ~~61-3-411(3)(a)~~ 61-3-411(2)(a) when equipped with two-wheel brakes or 25 feet when equipped with  
26 four-wheel brakes;

27 (4) 40 feet for all combinations of vehicles; and

28 (5) 30 feet for motorcycles, quadricycles, and motor-driven cycles."

29  
30 ~~—— **Section 180.** Section 61-10-130, MCA, is amended to read:~~

~~—————"61-10-130. Custom combiner's special permit -- fee -- collection -- distribution -- not transferable.~~

~~(1) In lieu of the taxes required by 15-24-301 and in lieu of motor vehicle license fees, gross vehicle weight fees, and overwidth, overlength, and overheight permits provided for in Title 61, a nonresident engaged in the business of custom combining who brings equipment into the state may pay a special permit fee of \$40 per unit. A unit shall include includes:~~

~~————(a) one truck suitable for hauling grain;~~

~~————(b) one header trailer or one combine trailer; and~~

~~————(c) pickup trucks and all other equipment, except combines, used by a nonresident and brought into the state as part of his the nonresident's business of custom combining.~~

~~————(2) In lieu of gross vehicle weight fees and overwidth, overlength, and overheight permits, Montana residents engaged in the business of custom combining may pay the annual farm gross vehicle weight fees and a special permit fee of \$20 per unit. A unit includes:~~

~~————(a) one truck suitable for hauling grain;~~

~~————(b) one header trailer or one combine trailer; and~~

~~————(c) pickup trucks used by the resident in his the resident's business of custom combining.~~

~~————(3) When used to transport agricultural products, a truck authorized to be used under a custom combiner's special permit may be operated only within a 50-mile radius from the harvested field to the point of first unloading. The truck may not haul agricultural products from one commercial elevator to another commercial elevator. The truck may be operated on any highway, except a highway that is part of the federal-aid interstate system, without incurring excess weight penalties under 61-10-145 if the total gross weight of the truck does not exceed allowable weight limitations by more than 20% per axle and the maximum load per inch of tire width does not exceed 670 pounds. The truck may not be operated in excess of 40 miles per hour. No A trip permit is not required. If the truck exceeds the tolerance provided under this subsection, the fine or penalty imposed applies to all weight over the legal limit allowed by 61-10-107.~~

~~————(4) A combine trailer authorized to be used under subsection (1)(b) or (2)(b) may be operated under the same limitations and until July 1, 1991, may be operated within the same tolerances granted trucks under subsection (3), except that the 50-mile limitation does not apply and the combine trailer may be used upon any highway of the state, including a highway that is part of the federal-aid interstate system. If the combine trailer exceeds the tolerance provided under subsection (3), the fine or penalty~~

1 ~~imposed applies to all weight over the legal limit allowed by 61-10-107.~~

2 ~~—— (5) The fee required by this section must be collected by the department of transportation. Upon~~  
3 ~~payment of the fee, the department of transportation must shall provide an identifying device to be~~  
4 ~~displayed on each truck, header trailer, or combine trailer and other equipment used by the nonresident~~  
5 ~~or resident in his the person's business of custom combining in the state, which The device is valid for~~  
6 ~~the calendar year in which the fee is collected.~~

7 ~~—— (6) All fees collected under this section must be distributed not later than January 31 immediately~~  
8 ~~following the period of license licensure as follows:~~

9 ~~—— (a) 62 1/2% to the county state general fund in the county in which the permittee declares the~~  
10 ~~greatest amount of time will be spent to operate, and~~

11 ~~—— (b) 37 1/2% to the state special revenue fund for the department of transportation.~~

12 ~~—— (7) The identifying devices and fee paid for each unit are not transferable from one vehicle to~~  
13 ~~another or transferable on the sale or change of ownership.~~

14 ~~—— (8) The department of transportation may adopt rules, as provided in Title 2, chapter 4, to~~  
15 ~~implement the provisions of this section."~~

16

17 **SECTION 179. SECTION 61-10-130, MCA, IS AMENDED TO READ:**

18 **"61-10-130. Custom combiner's special permit -- fee -- collection -- distribution -- not transferable.**

19 (1) In lieu of the taxes required by 15-24-301 and in lieu of motor vehicle license fees, gross vehicle  
20 weight fees, and overwidth, overlength, and overheight permits provided for in Title 61, a nonresident  
21 engaged in the business of custom combining who brings equipment into the state may pay a special  
22 permit fee of \$40 per unit. A unit ~~shall include~~ includes:

23 (a) one truck suitable for hauling grain;

24 (b) one header trailer or one combine trailer; and

25 (c) pickup trucks and all other equipment, except combines, used by a nonresident and brought  
26 into the state as part of ~~his~~ the nonresident's business of custom combining.

27 (2) In lieu of gross vehicle weight fees and overwidth, overlength, and overheight permits,  
28 Montana residents engaged in the business of custom combining may pay the annual farm gross vehicle  
29 weight fees and a special permit fee of \$20 per unit. A unit includes:

30 (a) one truck suitable for hauling grain;



1 (b) one header trailer or one combine trailer; and

2 (c) pickup trucks used by the resident in ~~his~~ the resident's business of custom combining.

3 (3) When used to transport agricultural products, a truck authorized to be used under a custom  
4 combiner's special permit may be operated only within a 50-mile radius from the harvested field to the  
5 point of first unloading. The truck may not haul agricultural products from one commercial elevator to  
6 another commercial elevator. The truck may be operated on any highway, except a highway that is part  
7 of the federal-aid interstate system, without incurring excess weight penalties under 61-10-145 if the total  
8 gross weight of the truck does not exceed allowable weight limitations by more than 20% per axle and  
9 the maximum load per inch of tire width does not exceed 670 pounds. The truck may not be operated in  
10 excess of 40 miles per hour. ~~No~~ A trip permit is not required. If the truck exceeds the tolerance provided  
11 under this subsection, the fine or penalty imposed applies to all weight over the legal limit allowed by  
12 61-10-107.

13 (4) A combine trailer authorized to be used under subsection (1)(b) or (2)(b) may be operated  
14 under the same limitations ~~and until July 1, 1991, may be operated within the same tolerances granted~~  
15 ~~trucks under subsection (3),~~ except that the 50-mile limitation does not apply and the combine trailer may  
16 be used upon any highway of the state, including a highway that is part of the federal-aid interstate  
17 system. If the combine trailer exceeds the tolerance provided under subsection (3), the fine or penalty  
18 imposed applies to all weight over the legal limit allowed by 61-10-107.

19 (5) The fee required by this section must be collected by the department of transportation. Upon  
20 payment of the fee, the department of transportation ~~must~~ shall provide an identifying device to be  
21 displayed on each truck, header trailer, or combine trailer and other equipment used by the nonresident  
22 or resident in ~~his~~ the person's business of custom combining in the state, ~~which~~ The device is valid for  
23 the calendar year in which the fee is collected.

24 (6) All fees collected under this section must be distributed not later than January 31 immediately  
25 following the period of ~~license~~ licensure as follows:

26 (a) 62 1/2% to the county state general fund ~~in the county in which the permittee declares the~~  
27 ~~greatest amount of time will be spent to operate,; and~~

28 (b) 37 1/2% to the state special revenue fund for the department of transportation.

29 (7) The identifying devices and fee paid for each unit are not transferable from one vehicle to  
30 another or transferable on the sale or change of ownership.

(8) The department of transportation may adopt rules, as provided in Title 2, chapter 4, to implement the provisions of this section."

~~Section 181. Section 61-10-148, MCA, is amended to read:~~

~~"61-10-148. Disposition of fines and forfeited bonds. (1) Except as provided in 61-12-701 and subsection (2) of this section, one-half of all the money collected as fines and forfeited bonds for violations of Title 61, chapter 10, must be remitted monthly by the county treasurer to the state treasurer for deposit in the state general fund. The remaining half, less the deductions required by law, must be deposited in the county road fund. This subsection does not apply to fines and forfeited bonds paid to justices' courts. (2) If the apprehension or arrest was for a violation of Title 61, chapter 10, and if the offense occurred on a road or highway not included under the provisions of 60-2-128 and 60-2-203, all money collected as fines and forfeited bonds must be distributed to the county treasurer for deposit in the county road fund."~~

SECTION 180. SECTION 61-10-148, MCA, IS AMENDED TO READ:

**"61-10-148. Disposition of fines and forfeited bonds.** (1) Except as provided in 61-12-701 and subsection (2) of this section, ~~one-half~~ of all the money collected as fines and forfeited bonds for violations of Title 61, chapter 10, must be remitted monthly by the county treasurer to the state treasurer for deposit in the state general fund. ~~The remaining half, less the deductions required by law, must be deposited in the county road fund.~~ This subsection does not apply to fines and forfeited bonds paid to justices' courts. (2) If the apprehension or arrest was for a violation of Title 61, chapter 10, and if the offense occurred on a road or highway not included under the provisions of 60-2-128 and 60-2-203, all money collected as fines and forfeited bonds must be distributed to the county treasurer for deposit in the county road fund."

~~Section 182. Section 61-10-225, MCA, is amended to read:~~

~~"61-10-225. Disposition of fees collected by county treasurer. At the time of collecting The county treasurer shall transmit the fees provided for in 61-10-222, each county treasurer shall retain 5% of the fees for the cost of administration and for deposit in the general fund of the county. The remaining 95% must be remitted monthly to the state treasurer for deposit to the credit of the department of~~

1 transportation in the highway revenue account. The remittance must be made on forms furnished to the  
2 county treasurer by the department."

3  
4 **SECTION 181.** SECTION 61-10-225, MCA, IS AMENDED TO READ:

5 **"61-10-225. Disposition of fees collected by county treasurer.** ~~At the time of collecting~~ The  
6 county treasurer shall transmit the fees provided for in 61-10-222, ~~each county treasurer shall retain 5%~~  
7 ~~of the fees for the cost of administration and for deposit in the general fund of the county. The remaining~~  
8 ~~95% must be remitted monthly to the state treasurer for deposit to the credit of the department of~~  
9 ~~transportation in the highway revenue account. The remittance must be made on forms furnished to the~~  
10 ~~county treasurer by the department."~~

11  
12 ~~Section 183.~~ Section 67-3-205, MCA, is amended to read:

13 ~~"67-3-205. Aircraft registration account -- source of funds -- allocation.~~ (1) ~~There is an account~~  
14 ~~in the state special revenue fund to which must be credited all money received from fees paid in lieu of~~  
15 ~~tax on aircraft as required in this part and 15-24-304 and all penalties collected for registration violations~~  
16 ~~as provided in 67-3-202.~~

17 ~~(2) Money in the account is allocated as follows:~~

18 ~~(a) 90% to the counties in the proportion that each county's collections bear to the total~~  
19 ~~collections statewide state general fund; and~~

20 ~~(b) 10% to the department for the purpose of administering and enforcing aircraft registration.~~

21 ~~(3) The allocations required in subsection (2)(a) must be made twice annually by the department.~~  
22 ~~The first allocation must be made between March 15 and March 30 and the second allocation must be~~  
23 ~~made between July 1 and July 15.~~

24 ~~(4) The allocation required in subsection (2)(b) must be made on July 1 of each year.~~

25 ~~(5) On receipt of the money allocated as provided in subsection (2)(a), the county treasurer shall~~  
26 ~~distribute the money in the relative proportions required by the levies for state, county, school district, and~~  
27 ~~municipal purposes in the same manner as personal property taxes are distributed.~~

28 ~~(6) The allocations required in subsection (2)(a) are considered statutory appropriations as~~  
29 ~~described in 17-7-502."~~

1        **SECTION 182.** SECTION 67-3-205, MCA, IS AMENDED TO READ:

2        **"67-3-205. Aircraft registration account -- source of funds -- allocation.** (1) There is an account  
3 in the state special revenue fund to which must be credited all money received from fees paid in lieu of  
4 tax on aircraft as required in this part and 15-24-304 and all penalties collected for registration violations  
5 as provided in 67-3-202.

6        (2) Money in the account is allocated as follows:

7        (a) 90% to the ~~counties in the proportion that each county's collections bear to the total~~  
8 ~~collections statewide~~ state general fund; and

9        (b) 10% to the department for the purpose of administering and enforcing aircraft registration.

10        (3) The allocations required in subsection (2)(a) must be made twice annually by the department.  
11 The first allocation must be made between March 15 and March 30 and the second allocation must be  
12 made between July 1 and July 15.

13        (4) The allocation required in subsection (2)(b) must be made on July 1 of each year.

14        ~~(5) On receipt of the money allocated as provided in subsection (2)(a), the county treasurer shall~~  
15 ~~distribute the money in the relative proportions required by the levies for state, county, school district, and~~  
16 ~~municipal purposes in the same manner as personal property taxes are distributed.~~

17        ~~—— (6) The allocations required in subsection (2)(a) are considered statutory appropriations as~~  
18 ~~described in 17-7-502."~~

19  
20        **Section 183.** Section 67-10-402, MCA, is amended to read:

21        **"67-10-402. Tax levy.** (1) Subject to 15-10-420 and for the purpose of establishing, constructing,  
22 equipping, maintaining, and operating airports, landing fields, and ports under the provisions of this chapter  
23 and as provided in Title 7, chapter 14, part 11, the county commissioners or the city or town council may  
24 each year assess and levy, in addition to the annual levy for general administrative purposes or the  
25 all-purpose mill levy authorized by 7-6-4451 ~~and 7-6-4452~~, a tax on the ~~dollar~~ of taxable value of the all  
26 taxable property ~~of said~~ in the county, city, or town:

27        ~~—— (a) not to exceed 2 mills for airports and landing fields; and~~

28        ~~(b) not to exceed 2 mills for ports.~~

29        (2) In the event of a jointly established airport, landing field, or port, the county commissioners  
30 and the city or town council or councils involved shall determine in advance the levy necessary for those

purposes and the proportion that each political subdivision joining in the venture is required to pay.

(3) ~~Property within any political subdivision may not be subject to a tax pursuant to this section at an annual rate in excess of 2 mills for airports, landing fields, or ports unless it is found that~~ If the levy is insufficient for the purposes enumerated ~~in that case~~ in subsection (1), the commissioners and councils are authorized and empowered to contract an indebtedness on behalf of the county, city, or town by borrowing money or issuing bonds for those purposes. However, bonds may not be issued until the proposition has been submitted to the qualified electors and approved by a majority vote, except as provided in subsection (4).

(4) For the purpose of establishing a reserve fund to resurface, overlay, or improve existing runways, taxiways, and ramps, the governing bodies may set up annual reserve funds in their annual budget if:

(a) the reserve is approved by the governing bodies during the normal budgeting procedure;

(b) the necessity to resurface or improve runways by overlays or similar methods ~~every so many~~ years periodically is based upon competent engineering estimates; and

(c) the funds are expended at least within each 10-year period.

(5) The reserve fund may not exceed at any time a competent engineering estimate of the cost of resurfacing or overlaying the existing runways, taxiways, and ramps of any one airport for each fund. The governing body of the airport or port, if in its judgment it considers it advantageous, may invest the fund in any interest-bearing deposits in a state or national bank insured by the FDIC or obligations of the United States of America, either short-term or long-term. Interest earned from the investments must be credited to the operations and maintenance budget of the airport or port governing body. Due to the uniqueness of the subject matter, the provisions of this section are declared necessary in the interests of the public health and safety."

**Section 184.** Section 67-11-301, MCA, is amended to read:

**"67-11-301. Municipal tax levy.** The airport authority may certify annually to the governing bodies the amount of tax requested to be levied by each municipality participating in the creation of the airport authority, and subject to 15-10-420, the municipality shall levy the amount certified, pursuant to provisions of law authorizing cities and other political subdivisions of this state to levy taxes for airport purposes. The levy may not exceed the maximum levy ~~permitted by the laws of this state for airport~~

~~purposes or any lower limit~~ that may have been established by the municipality or municipalities in the resolution creating the authority. The municipality shall collect the taxes certified by an airport authority in the same manner as other taxes are levied and collected and make payment to the airport authority. The proceeds of the taxes ~~when and as~~ paid to the airport authority must be deposited in a special account or accounts in which other revenue of the authority ~~are~~ is deposited and may be expended by the authority as provided for in this chapter. Prior to the issuance of bonds under 67-11-303, the airport authority or the municipality may by resolution covenant ~~and agree~~ that the total amount of the taxes ~~then~~ authorized by law or the portion of the taxes ~~as may be~~ specified by the resolution will, subject to 15-10-420, be certified, levied, and deposited annually until the bonds and interest are fully paid."

**Section 185.** Section 67-11-303, MCA, is amended to read:

**"67-11-303. Bonds and obligations.** (1) An authority may borrow money for any of its corporate purposes and issue its bonds for those purposes, including refunding bonds, in the form and upon the terms that it may determine, payable out of any revenue of the authority, including revenue derived from:

- (a) an airport or air navigation facility or facilities;
- (b) taxes levied pursuant to 67-11-301 or other law for airport purposes;
- (c) grants or contributions from the federal government; or
- (d) other sources.

(2) The bonds may be issued by resolution of the authority, without an election and without any limitation of amount, except that bonds may not be issued at any time if the total amount of principal and interest to become due in any year on the bonds and on any ~~then-outstanding~~ then-outstanding bonds for which revenue from the same source or sources ~~are~~ is pledged exceeds the amount of revenue to be received in that year as estimated in the resolution authorizing the issuance of the bonds. The authority shall take all action necessary and possible to impose, maintain, and collect rates, charges, rentals, and taxes, if any ~~are~~ is pledged, sufficient to make the revenue from the pledged source in the year at least equal to the amount of principal and interest due in that year.

(3) The bonds may be sold at public or private sale and may bear interest as provided in 17-5-102. Except as otherwise provided in this section, any bonds issued pursuant to this chapter by an authority may be payable as to principal and interest solely from revenue of the authority and must state on their face the applicable limitations or restrictions regarding the source from which the principal and interest are

1 payable.

2 (4) Bonds issued by an authority or municipality pursuant to the provisions of this chapter are  
3 declared to be issued for an essential public and governmental purpose by a political subdivision within the  
4 meaning of 15-30-111(2)(a).

5 (5) For the security of bonds, the authority or municipality may by resolution make and enter into  
6 any covenant, agreement, or indenture and may exercise any additional powers authorized to be exercised  
7 by a municipality under Title 7, chapter 7, parts 44 and 45. The sums required from time to time to pay  
8 principal and interest and to create and maintain a reserve for the bonds may be paid from any ~~revenues~~  
9 revenue referred to in this chapter, prior to the payment of current costs of operation and maintenance  
10 of the facilities.

11 (6) Subject to the conditions stated in this subsection, the governing body of any municipality  
12 having a population in excess of 10,000, with respect to bonds issued pursuant to this chapter by the  
13 municipality or by an authority in which the municipality is included, may by resolution covenant that in  
14 the event that at any time all revenue, including taxes, appropriated and collected for the bonds is  
15 insufficient to pay principal or interest then due, it ~~will~~ shall, subject to 15-10-420, levy a general tax upon  
16 all of the taxable property in the municipality for the payment of the deficiency. The governing body may  
17 further covenant that at any time a deficiency is likely to occur within 1 year for the payment of principal  
18 and interest due on ~~such the~~ bonds, it ~~will~~ shall, subject to 15-10-420, levy a general tax upon all the  
19 taxable property in the municipality for the payment of the deficiency, and the taxes are ~~not subject to any~~  
20 ~~limitation of rate or amount applicable to other municipal taxes but~~ are limited to a rate estimated to be  
21 sufficient to produce the amount of the deficiency. In the event that more than one municipality having  
22 a population in excess of 10,000 is included in an authority issuing bonds pursuant to this chapter, the  
23 municipalities may apportion the obligation to levy taxes for the payment of, or in anticipation of, a  
24 deficiency in the revenue appropriated for the bonds in a manner that the municipalities may determine.  
25 The resolution must state the principal amount and purpose of the bonds and the substance of the  
26 covenant respecting deficiencies. A resolution may not be effective until the question of its approval has  
27 been submitted to the qualified electors of the municipality at a special election called for that purpose by  
28 the governing body of the municipality and a majority of the electors voting on the question have voted  
29 in favor of the resolution. The special election must be held in conjunction with a regular or primary  
30 election. The notice and conduct of the election is governed, to the extent applicable, as provided for

municipal general obligation bonds in Title 7, chapter 7, part 42, for an election called by cities and towns and as provided for county general obligation bonds in Title 7, chapter 7, part 22, for an election called by counties. If a majority of the electors voting on the issue vote against approval of the resolution, the municipality may not make the covenant or levy a tax for the payment of deficiencies pursuant to this section, but the municipality or authority may issue bonds under this chapter payable solely from the sources referred to in subsection (1)."

~~Section 187. Section 72-16-909, MCA, is amended to read:~~

~~"72-16-909. When and where tax payable -- interest. (1) The estate tax is payable to the county treasurer of the county in which the estate is being probated department of revenue.~~

~~(2) If the tax is not paid within 18 months of the death of the decedent, interest must be charged and collected at the rate of 10% a year from the time that the tax accrued, unless because of claims made upon the estate, necessary litigation, or other unavoidable cause of delay, the tax is not determined and paid on time. Interest at the rate of 6% must be charged upon the amount of tax due from the time of accrual until the cause of the delay is removed, and after that time, interest at the rate of 10% must be charged.~~

~~(3) Litigation to defeat the payment of the tax is not necessary litigation.~~

~~(4) When permission has been granted to defer payment of tax under 72-16-910, interest must be charged at the rate of 6% after 1 year from the date of death until the date of payment."~~

**SECTION 186. SECTION 72-16-909, MCA, IS AMENDED TO READ:**

**"72-16-909. When and where tax payable -- interest. (1) The estate tax is payable to the county treasurer of the county in which the estate is being probated department of revenue.**

**(2) If the tax is not paid within 18 months of the death of the decedent, interest must be charged and collected at the rate of 10% a year from the time that the tax accrued, unless because of claims made upon the estate, necessary litigation, or other unavoidable cause of delay, the tax is not determined and paid on time. Interest at the rate of 6% must be charged upon the amount of tax due from the time of accrual until the cause of the delay is removed, and after that time, interest at the rate of 10% must be charged.**

**(3) Litigation to defeat the payment of the tax is not necessary litigation.**



(4) When permission has been granted to defer payment of tax under 72-16-910, interest must be charged at the rate of 6% after 1 year from the date of death until the date of payment."

~~Section 188. Section 72-16-912, MCA, is amended to read:~~

~~"72-16-912. Collection and deposit of tax. The tax imposed herein shall by this part must be collected by the several county treasurers or the department of revenue for deposit with the state treasurer."~~

SECTION 187. SECTION 72-16-912, MCA, IS AMENDED TO READ:

**"72-16-912. Collection and deposit of tax.** The tax imposed herein shall by this part must be collected by the several county treasurers or the department of revenue for deposit with the state treasurer."

~~Section 189. Section 75-10-533, MCA, is amended to read:~~

~~"75-10-533. Department to report fees. The department shall report to the office of budget and program planning, as a part of the information required by 17-7-111, the amount collected under this part and 61-3-508 and the cost of administration of this part, except 75-10-520, to date so that any necessary adjustment of the amount of the fee may be made to assure ensure that no more than the actual cost of operation of the program is collected."~~

SECTION 188. SECTION 75-10-533, MCA, IS AMENDED TO READ:

**"75-10-533. Department to report fees.** The department shall report to the office of budget and program planning, as a part of the information required by 17-7-111, the amount collected under this part and 61-3-508 and the cost of administration of this part, except 75-10-520, to date so that any necessary adjustment of the amount of the fee may be made to assure ensure that no more than the actual cost of operation of the program is collected."

**Section 189.** Section 76-1-111, MCA, is amended to read:

**"76-1-111. Representation of county or additional cities or towns on existing boards.** (1) Any city, county, or town or any combination of cities, counties, or towns wishing to be represented upon an

1 existing planning board may, by agreement of the governing body or bodies then represented on the board,  
2 obtain representation on the board and share in the membership duties and costs of the board upon a basis  
3 agreeable to the governing body or bodies creating the board.

4 (2) The membership~~\_,~~ as well as the jurisdictional area of any board~~\_,~~ may be increased to provide  
5 for representation and planning of any additional cities, counties, or towns seeking representation.

6 (3) Any city, county, or town that becomes represented upon an existing planning board pursuant  
7 to this section may appropriate funds for expenses necessary to cover the costs of representation. Subject  
8 to 15-10-420, the governing bodies of any represented city~~\_,~~ ~~or county~~\_,~~ or town~~ may levy on all property  
9 that is added to the jurisdictional area of an existing board by representation a tax for planning board  
10 purposes under procedures set forth in Title 7, chapter 6, part 23 or part 42, whichever is applicable. ~~The~~  
11 ~~tax may not exceed the maximum levy authorized in 76-1-402 through 76-1-407."~~

12

13 **Section 190.** Section 76-1-403, MCA, is amended to read:

14 **"76-1-403. Tax levy by county for certain county planning districts authorized.** When a county  
15 planning board has been established, the board of county commissioners may create a planning district  
16 that must include the property that lies outside the limits of the jurisdictional area~~\_,~~ as established pursuant  
17 to 76-1-504 through 76-1-507 or as modified pursuant to 76-1-501 through 76-1-503 in counties where  
18 a city-county planning board has been established~~\_,~~ as well as that property that lies outside the limits of  
19 any incorporated cities and towns. Subject to 15-10-420, the board of county commissioners may levy  
20 a tax on the taxable value of all taxable property located within the planning district ~~a tax not to exceed~~  
21 ~~the maximum levy authorized by 76-1-405~~ for planning board purposes, under procedures set forth in Title  
22 7, chapter 6, part 23."

23

24 **Section 191.** Section 76-1-404, MCA, is amended to read:

25 **"76-1-404. Tax levy by county for city-county planning board authorized.** When a city-county  
26 planning board has been established, the board of county commissioners may create a planning district  
27 that must include the property within the jurisdictional areas as established pursuant to 76-1-504 through  
28 76-1-507 that lies outside the limits of any incorporated cities and towns. Subject to 15-10-420, the board  
29 of county commissioners may levy on the taxable value of all taxable property located within the planning  
30 district a tax for planning board purposes, under procedures set forth in Title 7, chapter 6, part 23. ~~The~~

1 ~~tax may not exceed the maximum levy authorized in 76-1-405."~~

2

3 **Section 192.** Section 76-1-406, MCA, is amended to read:

4 **"76-1-406. Tax levy by municipalities authorized.** Subject to 15-10-420, the governing body of  
5 any city or town represented on a planning board may levy a tax upon the taxable value of all taxable  
6 property located within the city or town for planning board purposes, under procedures set forth in Title  
7 7, chapter 6, part 42. ~~The tax may not exceed the maximum levy authorized in 76-1-407."~~

8

9 **Section 193.** Section 76-2-102, MCA, is amended to read:

10 **"76-2-102. Organization and operation of commission.** (1) The planning and zoning commission  
11 consists of the three county commissioners, the county surveyor, and a county official appointed by the  
12 county commissioners. Members of the commission shall serve without compensation other than  
13 reimbursement for authorized expenses and must be residents of the county in which they serve.

14 (2) The commission may appoint necessary employees and fix their compensation with the  
15 approval of the board of county commissioners, select a presiding officer to serve for 1 year, appoint a  
16 secretary to keep permanent and complete records of its proceedings, and adopt rules governing the  
17 transaction of its business.

18 (3) Subject to 15-10-420, the finances necessary for the transaction of the planning and zoning  
19 commission's business and to pay the expenses of the employees and justified expenses of the members  
20 of the board must be paid from a levy ~~of not to exceed 1 mill~~ on the ~~valuation~~ taxable value of the ~~real~~ all  
21 taxable property within the district."

22

23 **Section 194.** Section 76-6-109, MCA, is amended to read:

24 **"76-6-109. Powers of public bodies.** (1) A public body has all the powers necessary or convenient  
25 to carry out the purposes and provisions of this chapter, including the following powers in addition to  
26 others granted by this chapter:

27 (a) to borrow funds and make expenditures necessary to carry out the purposes of this chapter;

28 (b) to advance or accept advances of public funds;

29 (c) to apply for and accept and utilize grants and any other assistance from the federal government  
30 and any other public or private sources, to give security as may be required, to enter into and carry out

contracts or agreements in connection with the assistance, and to include in any contract for assistance from the federal government conditions imposed pursuant to federal laws as the public body may consider reasonable and appropriate and that are not inconsistent with the purposes of this chapter;

(d) to make and execute contracts and other instruments necessary or convenient to the exercise of its powers under this chapter;

(e) in connection with the real property acquired or designated for the purposes of this chapter, to provide or to arrange or contract for the provision, construction, maintenance, operation, or repair by any person or agency, public or private, of services, privileges, works, streets, roads, public utilities, or other facilities or structures that may be necessary to the provision, preservation, maintenance, and management of the property as open-space land;

(f) to insure or provide for the insurance of any real or personal property or operations of the public body against any risks or hazards, including the power to pay premiums on the insurance;

(g) to demolish or dispose of any structures or facilities that may be detrimental to or inconsistent with the use of real property as open-space land; and

(h) to exercise any or all of its functions and powers under this chapter jointly or cooperatively with public bodies of one or more states, if they are authorized by state law, and with one or more public bodies of this state and to enter into agreements for joint or cooperative action.

(2) For the purposes of this chapter, the state, ~~or~~ a city, town, or other municipality, or a county may:

(a) appropriate funds;

(b) subject to 15-10-420, levy taxes and assessments according to existing codes and statutes ~~not to exceed 1 mill;~~

(c) issue and sell its general obligation bonds in the manner and within the limitations prescribed by the applicable laws of the state; and

(d) exercise its powers under this chapter through a board or commission or through the office or officers that its governing body by resolution determines or as the governor determines in the case of the state."

~~Section 196. Section 76-13-201, MCA, is amended to read:~~

~~"76-13-201. Duty of owner to protect against fire. (1) An owner of land classified as forest land~~

classified as such by the department shall protect against the starting or existence and suppress the spread of fire on that land. This protection and suppression must be in conformity with reasonable rules and standards for adequate fire protection adopted by the department.

(2) If the owner does not provide for the protection and suppression, the department may provide it at a cost to the landowner of not more than \$30 for each landowner in the protection district and of not more than an additional 20 cents per acre per year for each acre in excess of 20 acres owned by each landowner in each protection district, as necessary to yield the amount of money provided for in 76-13-207. The owner of the land shall pay to the county treasurer of the county in which the land is situated the charge for the same approved by the department in accordance with this part 1 and this part 1 to the department of revenue. PAYMENTS TO THE DEPARTMENT OF REVENUE ARE DUE ON OR BEFORE NOVEMBER 30 OF EACH YEAR.

(3) No other Other charges may not be assessed those to a participating landowner landowners participating except in cases of proven negligence on the part of the landowner or the landowner's agent."

**SECTION 195. SECTION 76-13-201, MCA, IS AMENDED TO READ:**

**"76-13-201. Duty of owner to protect against fire.** (1) An owner of land classified as forest land classified as such by the department shall protect against the starting or existence and suppress the spread of fire on that land. This protection and suppression must be in conformity with reasonable rules and standards for adequate fire protection adopted by the department.

(2) If the owner does not provide for the protection and suppression, the department may provide it at a cost to the landowner of not more than \$30 for each landowner in the protection district and of not more than an additional 20 cents per acre per year for each acre in excess of 20 acres owned by each landowner in each protection district, as necessary to yield the amount of money provided for in 76-13-207. The owner of the land shall pay ~~to the county treasurer of the county in which the land is situated~~ the charge for the same approved by the department in accordance with this part 1 and this part 1 to the department of revenue. Payments to the department of revenue are due on or before November 30 of each year.

(3) ~~No other~~ Other charges may not be assessed ~~those~~ to a participating landowner landowners participating except in cases of proven negligence on the part of the landowner or the landowner's agent."

1           **Section 196.** Section 76-15-505, MCA, is amended to read:

2           **"76-15-505. Authorization to borrow money -- limitations.** (1) If, after the levy of the annual  
3 assessments for the current year, the board of supervisors finds that, because of some unusual or  
4 unforeseen cause, funds raised through the collection of the assessments and from other sources will not  
5 be sufficient for the proper maintenance and operation of the district and the works in the district, the  
6 board of supervisors may:

7           (a) borrow additional funds needed ~~to~~ in an amount not to exceed 50 cents per acre for the lands  
8 within the district and may pledge the credit of the district for the payment of the funds; or

9           (b) request the county commissioners to issue and register warrants in anticipation of further  
10 collections.

11           (2) ~~The~~ Subject to 15-10-420, the board of supervisors shall include in the levy for the ensuing  
12 year the amount required to pay the loan or to retire the warrants. The warrants may not exceed 90% of  
13 the assessment for the year."

14  
15           **Section 197.** Section 76-15-516, MCA, is amended to read:

16           **"76-15-516. Levy of regular and special assessments.** (1) Subject to 15-10-420, the board of  
17 county commissioners of each county in which any portion of the district lies may, annually at the time  
18 of levying county taxes, levy an assessment on the taxable real property within the district. The levy must  
19 be known as the ".... (name of district) conservation district regular assessment" and must be sufficient  
20 to raise the amount reported to the county commissioners in the estimate of the supervisors.

21           (2) Subject to the conditions of 15-10-420, 76-15-531, and 76-15-532, the board of county  
22 commissioners of each county in which any portion of the district lies may, annually at the time of levying  
23 county taxes, levy an assessment on the taxable real property within the district. The levy must be known  
24 as the ".... (name of district) conservation district special administrative assessment" and must be  
25 sufficient to raise the amount reported to the county commissioners in the estimate of the supervisors.

26           (3) Subject to 15-10-420, the board of county commissioners of each county in which any portion  
27 of a project area lies may, annually at the time of levying county taxes, levy an assessment ~~not to exceed~~  
28 ~~3 mills~~ on the taxable ~~real~~ value of all taxable property located within the project area. The levy must be  
29 known as ".... (name of the project area) special assessment" and must be sufficient to raise the amount  
30 reported to the county commissioners in the estimate of the supervisors."

1

2       **Section 198.** Section 76-15-531, MCA, is amended to read:

3       **"76-15-531. Special administrative assessment permitted -- voter approval.** (1) (a) In addition to  
4 the levy authorized in 76-15-515 and 76-15-516(3), the supervisors of a conservation district may levy  
5 an annual special administrative assessment, ~~not to exceed the amount determined under subsection (1)(b)~~  
6 ~~each year,~~ for administrative costs and expenses of the district if, ~~at a regularly scheduled election or~~  
7 ~~special election,~~ the qualified electors of the district approve the imposition of the additional assessment  
8 at an election held as provided in [section 2].

9       ~~(b) The annual levy authorized by this section may not exceed the difference between the amount~~  
10 ~~raised by the annual mill levy authorized under 76-15-515 and \$20,000.~~

11       ~~(c)(b)~~ Nonmill-levy revenue that is distributed based on the relative proportion of mill levies may  
12 not be distributed to the special administrative assessment.

13       (2) The special administrative assessment question may be presented to the qualified electors of  
14 the district by resolution of the supervisors.

15       (3) If the conservation district is located in more than one county, the special administrative  
16 assessment question must be presented to and approved by the qualified electors who reside in the district  
17 from each county.

18       (4) The resolution referring the special administrative assessment question must state:

19       (a) the rate of the assessment;

20       (b) the amount of money anticipated to be raised by the assessment; and

21       (c) the purposes for which the special administrative assessment revenue may be used."

22

23       **Section 199.** Section 76-15-623, MCA, is amended to read:

24       **"76-15-623. Administration of special assessment.** (1) Subject to 15-10-420, when the board or  
25 boards of supervisors have determined that a special assessment is necessary, the board of county  
26 commissioners of the county in which there lies any portion of a project area ~~shall~~ may annually at the time  
27 of levying county taxes levy a special assessment ~~of on~~ on the taxable real value of all taxable property in  
28 the project area, ~~not to exceed 3 mills.~~ The levy must be known as the "... (name of district) soil and  
29 water conservation district special assessment" and must be sufficient to raise the income reported to it  
30 in the estimate of the supervisors.

(2) Each lot or parcel of land to be assessed must be assessed with that part of the amount of money required that its taxable ~~valuation~~ value bears to the total taxable ~~valuation~~ value of all the lands to be assessed."

~~SECTION 201. SECTION 77-1-502, MCA, IS AMENDED TO READ:~~

~~"77-1-502. Computation of state land equalization payment amount. (1) The department of revenue shall compute the amount of taxes which that would be payable on the county assessments of said state-owned grazing, agricultural, or forest property as if it were owned by and taxable to a taxpayer of such the county.~~

~~(2) If the land is not classified, the sum to be listed shall must be determined by the average tax payment made on like property within the county where said in which the land is situated, not to exceed 12 cents per grazing acre, 35 cents per agricultural acre, and 12 cents per forest acre. The average tax may be derived from the most recent biennial report of the department of revenue. The total figure arrived at by this method shall must be called the gross assessment figure.~~

~~(3) The county exemption factor shall must be determined by dividing the percentage that the state-owned land bears to the total land area of the county into 6%. This quotient shall must be multiplied by the gross assessment figure, and the product is called the state exemption figure.~~

~~(4) The state exemption figure shall must be subtracted from the gross assessment to give the state land equalization payment AMOUNT."~~

SECTION 200. SECTION 77-1-502, MCA, IS AMENDED TO READ:

**"77-1-502. Computation of state land equalization payment amount.** (1) The department of revenue shall compute the amount of taxes ~~which~~ that would be payable on the county assessments of said state-owned grazing, agricultural, or forest property as if it were owned by and taxable to a taxpayer of ~~such~~ the county.

(2) If the land is not classified, the sum ~~to be listed shall~~ must be determined by the average tax payment made on like property within the county ~~where said~~ in which the land is situated, not to exceed 12 cents per grazing acre, 35 cents per agricultural acre, and 12 cents per forest acre. The average tax may be derived from the most recent biennial report of the department of revenue. The total figure arrived at by this method ~~shall~~ must be called the gross assessment figure.



(3) The county exemption factor ~~shall~~ must be determined by dividing the percentage that the state-owned land bears to the total land area of the county into 6%. This quotient ~~shall~~ must be multiplied by the gross assessment figure, and the product is called the state exemption figure.

(4) The state exemption figure ~~shall~~ must be subtracted from the gross assessment to give the state land equalization ~~payment~~ amount."

~~SECTION 202. SECTION 77-1-503, MCA, IS AMENDED TO READ:~~

~~"77-1-503. Form to be completed by department of revenue. The department shall provide a form for each county to be followed and completed by the department of revenue. The department of revenue shall, before October 1, make the computations required and submit to the department the completed forms, which must show the computations and method used in arriving at the state land equalization payment amount."~~

SECTION 201. SECTION 77-1-503, MCA, IS AMENDED TO READ:

"77-1-503. Form to be completed by department of revenue. The department shall provide a form for each county to be followed and completed by the department of revenue. The department of revenue shall, before October 1, make the computations required and submit to the department the completed forms, which must show the computations and method used in arriving at the state land equalization payment amount."

~~SECTION 203. SECTION 77-1-504, MCA, IS AMENDED TO READ:~~

~~"77-1-504. Processing of statements. The department shall examine for accuracy the statement returned by the department of revenue, and the state land equalization payment amount may not be approved unless the state exemption figure is deducted from the gross assessment figure in the statement. The department shall, before November 1 of each year, prepare and file a claim with the department of administration for all counties that are eligible for state land equalization payments amounts, and this claim must show the amount of money that each eligible county will receive RECEIVES through the entitlement share provided for in [section 1]."~~

SECTION 202. SECTION 77-1-504, MCA, IS AMENDED TO READ:

1       **"77-1-504. Processing of statements.** The department shall examine for accuracy the statement  
2 returned by the department of revenue, and the state land equalization ~~payment amount~~ amount may not be  
3 approved unless the state exemption figure is deducted from the gross assessment figure in the statement.  
4 The department shall, before November 1 of each year, prepare and file a claim with the department of  
5 administration for all counties that are eligible for state land equalization ~~payments amounts~~ amounts, and this claim  
6 must show the amount of money that each eligible county ~~will receive~~ receives through the entitlement  
7 share provided for in [section 1]."  
8

9       ~~Section 204. Section 80-2-201, MCA, is amended to read:~~

10       ~~"80-2-201. Powers and duties of board of hail insurance. The board of hail insurance provided for~~  
11 ~~in 2-15-3003:~~

12       ~~(1) shall hold meetings when necessary and essential for the proper conduct of its business;~~

13       ~~(2) is hereby authorized, directed, and empowered to make may adopt rules as it may from time~~  
14 ~~to time find practical, necessary, and beneficial for the administration of this part;~~

15       ~~(3) shall prescribe blank forms for all purposes necessary, proper, and incidental to the effective~~  
16 ~~operation and enforcement of this part; and~~

17       ~~(4) shall use any appropriate means of communication to inform Montana producers of the~~  
18 ~~purposes, scope, and benefits of this part in furnishing protection against loss by hail at the actual cost~~  
19 ~~of the risk to all taxpayers persons who may elect to become subject to the provisions of this part."~~

21       **SECTION 203. SECTION 80-2-201, MCA, IS AMENDED TO READ:**

22       **"80-2-201. Powers and duties of board of hail insurance.** The board of hail insurance provided for  
23 in 2-15-3003:

24       (1) shall hold meetings when necessary ~~and essential~~ for the ~~proper~~ conduct of its business;

25       (2) ~~is hereby authorized, directed, and empowered to make may adopt rules as it may from time~~  
26 ~~to time find practical, necessary, and beneficial~~ for the administration of this part;

27       (3) shall prescribe blank forms for all purposes necessary, proper, and incidental to the effective  
28 operation and enforcement of this part; and

29       (4) shall use any appropriate means of communication to inform Montana producers of the  
30 purposes, scope, and benefits of this part in furnishing protection against loss by hail at the actual cost

of the risk to all ~~taxpayers~~ persons who may elect to become subject to the provisions of this part."

~~Section 205.~~ Section 80-2-203, MCA, is amended to read:

~~"80-2-203. Participation in program -- tax. (1) A taxpayer person or an association of taxpayers persons engaged in the growing of crops other than those specified in this part or other agricultural or horticultural products subject to injury or destruction by hail may, by individual or joint election filed with and approved by the board of hail insurance, accept the provisions of this part and elect to become subject to this part. The risks may be classified by the board, and suitable levies fees may be imposed as agreed upon by the board and the taxpayers persons. The taxpayers persons are entitled to the benefits and protection afforded by the insurance provisions of this part.~~

~~(2) Each farmer taxpayer person who signifies a desire to become subject to the provisions of this part shall file with the department of revenue the properly filled out form not later than August 15. The taxpayer person is chargeable with the tax fee provided for on lands growing crops subject to injury or destruction by hail and shall share in the protection and benefits under the hail insurance provisions of this part. The application for hail insurance is in full force and effect at 12:01 a.m. the day immediately following the acceptance of the application by the department of revenue.~~

~~(3) This part may not be construed to empower anyone except the actual owner of the land to make the land subject to the hail tax fee provided in this part."~~

**SECTION 204.** SECTION 80-2-203, MCA, IS AMENDED TO READ:

**"80-2-203. Participation in program -- tax.** (1) A ~~taxpayer~~ person or an association of ~~taxpayers~~ persons engaged in the growing of crops other than those specified in this part or other agricultural or horticultural products subject to injury or destruction by hail may, by individual or joint election filed with and approved by the board of hail insurance, accept the provisions of this part and elect to become subject to this part. The risks may be classified by the board, and suitable ~~levies~~ fees may be imposed as agreed upon by the board and the ~~taxpayers~~ persons. The ~~taxpayers~~ persons are entitled to the benefits and protection afforded by the insurance provisions of this part.

(2) Each ~~farmer taxpayer~~ person who signifies a desire to become subject to the provisions of this part shall file with the department of revenue the properly filled out form not later than August 15. The ~~taxpayer~~ person is chargeable with the ~~tax~~ fee provided for on lands growing crops subject to injury or

1 destruction by hail and shall share in the protection and benefits under the hail insurance provisions of this  
2 part. The application for hail insurance is in full force and effect at 12:01 a.m. the day immediately  
3 following the acceptance of the application by the department of revenue.

4 (3) This part may not be construed to empower anyone except the actual owner of the land to  
5 make the land subject to the hail ~~tax~~ fee provided in this part."

6  
7 ~~Section 206. Section 80-2-204, MCA, is amended to read:~~

8 ~~"80-2-204. Duty of department of revenue -- election of benefits of law. The department of~~  
9 ~~revenue shall upon request explain to each taxpayer person engaged in the growing of crops subject to~~  
10 ~~injury or destruction by hail the provisions of this part. The department of revenue shall issue hail insurance~~  
11 ~~policies to each taxpayer person who desires to become subject to this part, to become liable for the tax~~  
12 ~~levies fee provided in this part, and to be eligible for the benefits and protection of this part. A taxpayer~~  
13 ~~person who elects to become subject to this part is liable for the taxes levied fees for hail insurance and~~  
14 ~~shall participate in the benefits and protection afforded by this part. Either the The owners of lands worked~~  
15 ~~by others under lease or contract may make the election for hail insurance, or the lessee of the land may~~  
16 ~~tender payment, in cash, of the tax fee levied for hail insurance to protect the lessee's crops, in cash, to~~  
17 ~~the officer authorized to receive payment."~~

18  
19 SECTION 205. SECTION 80-2-204, MCA, IS AMENDED TO READ:

20 **"80-2-204. Duty of department of revenue -- election of benefits of law.** The department of  
21 revenue shall upon request explain to each ~~taxpayer~~ person engaged in the growing of crops subject to  
22 injury or destruction by hail the provisions of this part. The department of revenue shall issue hail insurance  
23 policies to each ~~taxpayer~~ person who desires to become subject to this part, to become liable for the ~~tax~~  
24 ~~levies~~ fee provided in this part, and to be eligible for the benefits and protection of this part. A ~~taxpayer~~  
25 person who elects to become subject to this part is liable for the ~~taxes levied~~ fees for hail insurance and  
26 shall participate in the benefits and protection afforded by this part. ~~Either the~~ The owners of lands worked  
27 by others under lease or contract may make the election for hail insurance, or the lessee of the land may  
28 tender payment, in cash, of the ~~tax~~ fee levied for hail insurance ~~to protect the lessee's crops, in cash, to~~  
29 the officer authorized to receive payment."

~~Section 207. Section 80-2-205, MCA, is amended to read:~~

~~"80-2-205. What crops subject to provisions of law. The crops grown on the lands of all taxpayers persons who shall elect to become subject to this part shall must be insured under the provisions of this part for the acreage and the kind of crop for which taxes fees for hail insurance will have been levied, imposed, which The insurance shall must be provided for, determined, and adjusted and paid for as provided by this part."~~

**SECTION 206. SECTION 80-2-205, MCA, IS AMENDED TO READ:**

**"80-2-205. What crops subject to provisions of law.** The crops grown on the lands of all taxpayers persons who shall elect to become subject to this part shall must be insured under the provisions of this part for the acreage and the kind of crop for which taxes fees for hail insurance ~~will~~ have been levied, imposed, which The insurance shall must be provided for, determined, and adjusted and paid for as provided by this part."

~~Section 208. Section 80-2-206, MCA, is amended to read:~~

~~"80-2-206. Cash payment. When an applicant for hail insurance tenders cash for the insurance to the department of revenue, the applicant is allowed a discount of 4%. The hail insurance must be issued upon the cash payment less the 4%. The charge for the insurance must be based on the maximum rates shown on the application for hail insurance. If the current rates are reduced later, the board of hail insurance shall arrange for the proper refund to the insured. All cash received by the department of revenue must be promptly turned over to the county treasurer, who shall furnish the insured with a current receipt and place the money in the hail insurance fund deposited with the state treasurer."~~

**SECTION 207. SECTION 80-2-206, MCA, IS AMENDED TO READ:**

**"80-2-206. Cash payment.** When an applicant for hail insurance tenders cash for the insurance to the department of revenue, the applicant is allowed a discount of 4%. The hail insurance must be issued upon the cash payment less the 4%. The charge for the insurance must be based on the maximum rates shown on the application for hail insurance. If the current rates are reduced later, the board of hail insurance shall arrange for the proper refund to the insured. All cash received by the department of revenue must be promptly turned over to the county treasurer, who shall furnish the insured with a current

1 receipt and place the money in the hail insurance fund deposited with the state treasurer."

2

3 ~~Section 209.~~ Section 80-2-207, MCA, is amended to read:

4 ~~"80-2-207. Delinquent taxes fees -- application by delinquent -- crop lien.~~ (1) An owner of land  
5 who has more than 1 year's delinquent taxes fees on the land may not be allowed hail insurance under  
6 the provisions of this part, unless the owner's application is accompanied by a cash payment for the  
7 amount that would be due on the application in the event of a maximum levy for that year.

8 ~~(2) Any grain grower unable to secure state hail insurance under the provisions of this part~~  
9 ~~because of delinquent taxes fees or for other reasons may make an application to the department of~~  
10 ~~revenue, and the department of revenue may receive and accept the applications application when the~~  
11 ~~applicant furnishes a sufficient crop lien that is subject only to a seed lien. The crop lien may be accepted~~  
12 ~~only under rules and requirements that may be prescribed by the board of hail insurance and under the~~  
13 ~~provision that the board may cancel any hail insurance accepted in violation of the rules and requirements.~~  
14 ~~Upon receipt of the application, the department of revenue shall make a record of the application and shall~~  
15 ~~file the original in the office of the clerk and recorder of the county. The department of revenue shall also~~  
16 ~~cause an assessment SEND A BILL TO THE GRAIN GROWER for the proper amount to be made on the property~~  
17 ~~tax record in the same manner provided for in the case of other special levies or assessments DUE FOR HAIL~~  
18 ~~INSURANCE UNDER THE PROVISIONS OF THIS PART.~~

19 ~~(3) A tenant who has delinquent hail insurance that was secured by a crop lien only and was not~~  
20 ~~secured by real estate may not be allowed another policy in any succeeding year until the delinquent~~  
21 ~~account or accounts are amount is paid or until the tenant pays cash for the current hail insurance.~~

22 ~~(4) If a tenant becomes delinquent for hail insurance after having failed to apply for relief as~~  
23 ~~provided by the board under 80-2-229, the tenant may apply to the board for a reduction. If the reasons~~  
24 ~~for requesting a reduction are approved by the board, the board may reduce the charge to not less than~~  
25 ~~one-half the original amount charged."~~

26

27 **SECTION 208.** SECTION 80-2-207, MCA, IS AMENDED TO READ:

28 **"80-2-207. Delinquent taxes fees -- application by delinquent -- crop lien.** (1) An owner of land  
29 who has more than 1 year's delinquent taxes fees on the land may not be allowed hail insurance under  
30 the provisions of this part, unless the owner's application is accompanied by a cash payment for the

1 amount that would be due on the application ~~in the event of a maximum levy~~ for that year.

2 (2) Any grain grower unable to secure state hail insurance under the provisions of this part  
3 because of delinquent ~~taxes~~ fees or for other reasons may make an application to the department of  
4 revenue, and the department of revenue may receive and accept the ~~applications~~ application when the  
5 applicant furnishes a sufficient crop lien that is subject only to a seed lien. The crop lien may be accepted  
6 only under rules and requirements that may be prescribed by the board of hail insurance and under the  
7 provision that the board may cancel any hail insurance accepted in violation of the rules and requirements.  
8 Upon receipt of the application, the department of revenue shall make a record of the application and shall  
9 file the original in the office of the clerk and recorder of the county. The department of revenue shall also  
10 ~~cause an assessment~~ send a bill to the grain grower for the proper amount ~~to be made on the property tax~~  
11 ~~record in the same manner provided for in the case of other special levies or assessments~~ due for hail  
12 insurance under the provisions of this part.

13 (3) A tenant who has delinquent hail insurance that was secured by a crop lien ~~only~~ and was not  
14 secured by real estate may not be allowed another policy in any succeeding year until the delinquent  
15 ~~account or accounts are~~ amount is paid or until the tenant pays cash for the current hail insurance.

16 (4) If a tenant becomes delinquent for hail insurance after having failed to apply for relief as  
17 provided by the board under 80-2-229, the tenant may apply to the board for a reduction. If the reasons  
18 for requesting a reduction are approved by the board, the board may reduce the charge to not less than  
19 one-half the original amount charged."

20

21 ~~Section 210. Section 80-2-209, MCA, is amended to read:~~

22 ~~"80-2-209. Reinsurance. Because of the unusual or unexpected variation in the severity of damage~~  
23 ~~to grain crops which occur that occurs from year to year and in order to enable the hail insurance board~~  
24 ~~to spread the effect of these variations more evenly over all years, the board is hereby authorized to may~~  
25 ~~negotiate for and to secure reinsurance of a part of the risk in any year when the need of such for~~  
26 ~~reinsurance appears advisable to the board. The board is hereby authorized to may use moneys money~~  
27 ~~from hail insurance levies fees for the purchase of such reinsurance whenever it appears to the board that~~  
28 ~~such reinsurance is necessary and advisable."~~

29

30 SECTION 209. SECTION 80-2-209, MCA, IS AMENDED TO READ:

1       **"80-2-209. Reinsurance.** Because of the unusual or unexpected variation in the severity of damage  
2 to grain crops ~~which occur~~ that occurs from year to year and in order to enable the hail insurance board  
3 to spread the effect of these variations more evenly over all years, the board ~~is hereby authorized to~~ may  
4 negotiate for and ~~to~~ secure reinsurance of a part of the risk in any year when the need ~~of such~~ for  
5 reinsurance appears advisable to the board. The board is ~~hereby authorized to~~ may use ~~moneys~~ money  
6 from hail insurance ~~levies fees~~ for the purchase of ~~such~~ reinsurance whenever it appears to the board that  
7 ~~such~~ reinsurance is necessary and advisable."

8  
9       ~~Section 211. Section 80-2-221, MCA, is amended to read:~~

10       ~~"80-2-221. Tax Fee for hail insurance. (1) A tax is hereby authorized and directed to be levied fee~~  
11 ~~is imposed on all lands in this state growing crops subject to injury or destruction by hail, the owners of~~  
12 ~~which have elected to become subject to the provisions of this part.~~

13       ~~(2) The board of hail insurance shall annually estimate, as accurately as possible, the amount~~  
14 ~~required to pay all losses, interest on warrants, and costs of administration and shall recommend a levy~~  
15 ~~fee to be made imposed on each kind of land respectively, subject to the provisions of this part, to the~~  
16 ~~department of revenue. The rates recommended to apply on the lands of owners shall must be applied in~~  
17 ~~the same proportions to the crops of those insured on a personal assessment basis."~~

18  
19       **SECTION 210. SECTION 80-2-221, MCA, IS AMENDED TO READ:**

20       **"80-2-221. Tax Fee for hail insurance.** (1) A tax is hereby authorized and directed to be levied fee  
21 is imposed on all lands in this state growing crops subject to injury or destruction by hail, the owners of  
22 which have elected to become subject to the provisions of this part.

23       (2) The board of hail insurance shall annually estimate, as accurately as possible, the amount  
24 required to pay all losses, interest on warrants, and costs of administration and shall recommend a ~~levy~~  
25 fee to be ~~made~~ imposed on each kind of land respectively, subject to the provisions of this part, to the  
26 department of revenue. The rates recommended to apply on the lands of owners ~~shall~~ must be applied in  
27 the same proportions to the crops of those insured on a personal ~~assessment~~ basis."

28  
29       ~~Section 212. Section 80-2-222, MCA, is amended to read:~~

30       ~~"80-2-222. Board to establish amount of levy rates -- disposition of funds. (1) The board of hail~~



1 insurance may, when it considers it advisable, establish as many districts as it considers advisable and may  
2 maintain maximum rates in various parts of the state, ~~which The~~ rates must be commensurate with the  
3 risk incurred as nearly as it can determine from past experiences or from any records available.

4 ~~———(2) Notice of the various rates established for any year must be plainly printed on the application~~  
5 ~~for hail insurance, and the rates for the year must be determined and levied imposed by the board of hail~~  
6 ~~insurance for each of the various districts as established, in such proportions as that will in its the board's~~  
7 ~~judgment be fair and equitable.~~

8 ~~———(3) The board of hail insurance has authority to may accept and expend all funds received by it,~~  
9 ~~including amounts repaid as principal and interest on investments. The funds are statutorily appropriated,~~  
10 ~~as provided in 17-7-502, to the board of hail insurance for the purposes of this chapter. Expenditures for~~  
11 ~~actual and necessary expenses required for the efficient administration of this part must be made from~~  
12 ~~temporary appropriations, as described in 17-7-501(1) or (2), made for that purpose.~~

13 ~~———(4) In making the levy establishing the rates provided in this section and 80-2-223, the board of~~  
14 ~~hail insurance shall provide for:~~

15 ~~———(a) the payment of all expenses of administration, together with all interest owed or to be owing~~  
16 ~~on registered warrants;~~

17 ~~———(b) that portion of the losses incurred during the current year that are not paid from funds drawn~~  
18 ~~from the reserve;~~

19 ~~———(c) the maintenance of the reserve, a part or all of which may be used in any one 1 year for the~~  
20 ~~purpose of paying the costs of administration, interest on the warrants, and losses as settled and adjusted~~  
21 ~~by the board, including the losses sustained in any prior year or years under the hail insurance law that~~  
22 ~~have not been paid.~~

23 ~~———(5) If at the end of any hail insurance season the board determines that more funds are~~  
24 ~~accumulating from the current year's levies rates than were estimated when the levy was made rates were~~  
25 ~~established and are in excess of the need for the payment of losses and expenses and maintenance of the~~  
26 ~~reserve, the board may, at its discretion, refund the excess to the farmers persons insured for the year,~~  
27 ~~on a pro rata or percentage basis.~~

28 ~~———(6) The board of hail insurance may direct the board of investments to invest funds from the~~  
29 ~~enterprise fund pursuant to the provisions of the unified investment program for state funds. The income~~  
30 ~~from the investments must be credited to the board of hail insurance account in the enterprise fund."~~

**SECTION 211.** SECTION 80-2-222, MCA, IS AMENDED TO READ:

**"80-2-222. Board to establish amount of levy rates -- disposition of funds.** (1) The board of hail insurance may, when it considers it advisable, establish as many districts as it considers advisable and may maintain maximum rates in various parts of the state, ~~which~~ The rates must be commensurate with the risk incurred as nearly as it can determine from past experiences or from any records available.

(2) Notice of the various rates established for any year must be plainly printed on the application for hail insurance, and the rates for the year must be determined and ~~levied~~ imposed by the board of hail insurance for each of the various districts as established, in ~~such~~ proportions as that will in ~~its~~ the board's judgment be fair and equitable.

(3) The board of hail insurance ~~has authority to~~ may accept and expend all funds received by it, including amounts repaid as principal and interest on investments. The funds are statutorily appropriated, as provided in 17-7-502, to the board of hail insurance for the purposes of this chapter. Expenditures for actual and necessary expenses required for the efficient administration of this part must be made from temporary appropriations, as described in 17-7-501(1) or (2), made for that purpose.

(4) In ~~making the levy~~ establishing the rates provided in this section ~~and 80-2-223~~, the board of hail insurance shall provide for:

(a) the payment of all expenses of administration, together with all interest owed or to be owing on registered warrants;

(b) that portion of the losses incurred during the current year that are not paid from funds drawn from the reserve;

(c) the maintenance of the reserve, a part or all of which may be used in any ~~one~~ 1 year for the purpose of paying the costs of administration, interest on the warrants, and losses as settled and adjusted by the board, including the losses sustained in any prior year or years under the hail insurance law that have not been paid.

(5) If at the end of any hail insurance season the board determines that more funds are accumulating from the current year's ~~levies~~ rates than were estimated when the ~~levy was made~~ rates were established and are in excess of the need for the payment of losses and expenses and maintenance of the reserve, the board may, at its discretion, refund the excess to the ~~farmers~~ persons insured for the year, on a pro rata or percentage basis.

(6) The board of hail insurance may direct the board of investments to invest funds from the enterprise fund pursuant to the provisions of the unified investment program for state funds. The income from the investments must be credited to the board of hail insurance account in the enterprise fund."

~~Section 213. Section 80-2-224, MCA, is amended to read:~~

~~"80-2-224. Assessment Fee -- notice -- when payable. Notice of such assessment shall the fee must be mailed by the county treasurer DEPARTMENT OF REVENUE to each person insured in the same manner and at the same time as notices of property taxes due. The assessment fee shall be is payable at the office of the county treasurer of each respective county TO THE DEPARTMENT OF REVENUE."~~

SECTION 212. SECTION 80-2-224, MCA, IS AMENDED TO READ:

"80-2-224. Assessment Fee -- notice -- when payable. Notice of such assessment shall the fee must be mailed by the county treasurer department of revenue to each person insured in the same manner and at the same time as notices of property taxes due. The assessment fee shall be is payable at the office of the county treasurer of each respective county to the department of revenue."

~~Section 214. Section 80-2-225, MCA, is amended to read:~~

~~"80-2-225. Real estate lien -- creation. The tax levies are hail insurance fees chargeable to the lands of each taxpayer person who elects to become subject to this part and must be entered in the property tax record and collected by the officers charged with such duties in the manner and form as are other property taxes county treasurer DEPARTMENT OF REVENUE. If the levies fees are not paid, they are a lien on the lands against which they are levied in the same manner as are other property taxes imposed."~~

SECTION 213. SECTION 80-2-225, MCA, IS AMENDED TO READ:

"80-2-225. Real estate lien -- creation. The tax levies are hail insurance fees chargeable to the lands of each taxpayer person who elects to become subject to this part and must be entered in the property tax record and collected by the officers charged with such duties in the manner and form as are other property taxes department of revenue. If the levies fees are not paid, they are a lien on the lands against which they are levied in the same manner as are other property taxes imposed."

~~Section 215.~~ Section 80-2-226, MCA, is amended to read:

~~"80-2-226. Crop lien -- when created -- assessment.~~ (1) In addition to the lien created in 80-2-225 on the land of the insured, the levy fee for such hail insurance shall constitute is a lien on the crops insured with the exception that the crop lien may not apply to owners of unencumbered land or to the land or crops of those who pay cash for hail insurance. The applications of these persons may not be filed with the county clerk and recorded as provided for in 80-2-207. ~~The Except as provided in this subsection, the~~ crop lien shall must be included in all applications for hail insurance, with the above exceptions, and shall must be enforced as provided in 80-2-230 and 80-2-231 against all applicable persons insured except those owning unencumbered land or those who have paid cash for hail insurance.

~~(2) All applicants securing hail insurance on crop liens as heretofore provided shall be in this section are subject to the same charges per acre as provided herein to be that are made on land."~~

**SECTION 214.** SECTION 80-2-226, MCA, IS AMENDED TO READ:

**"80-2-226. Crop lien -- when created -- assessment.** (1) In addition to the lien created in 80-2-225 on the land of the insured, the levy fee for such hail insurance shall constitute is a lien on the crops insured with the exception that the crop lien may not apply to owners of unencumbered land or to the land or crops of those who pay cash for hail insurance. The applications of these persons may not be filed with the county clerk and recorded as provided for in 80-2-207. ~~The Except as provided in this subsection, the~~ crop lien shall must be included in all applications for hail insurance, with the above exceptions, and shall must be enforced as provided in 80-2-230 and 80-2-231 against all applicable persons insured except those owning unencumbered land or those who have paid cash for hail insurance.

(2) All applicants securing hail insurance on crop liens as heretofore provided shall be in this section are subject to the same charges per acre as provided herein to be that are made on land."

~~Section 216.~~ Section 80-2-228, MCA, is amended to read:

~~"80-2-228. Reserve fund.~~ (1) Each year when the hail board makes sets its annual levy fee for the payment of current losses, for expenses of administration, and for an addition to the reserve if conditions permit, it may not increase the levy fee enough in any year so that the addition to the reserve will exceed 5% of the maximum risk written for that year.

~~(2) The board may engage the services of a qualified actuary to conduct an actuarial valuation of~~

1 the reserve. This valuation shall may include the actuary's determination of the amount of reserve  
2 necessary to absorb all reasonably anticipated catastrophic losses. This amount is the maximum  
3 permissible reserve fund for the next year.

4 ~~—— (3) The reserve must be deposited in an enterprise fund.~~

5 ~~—— (4) The board may not draw on the reserve for any purpose unless the amount required for the~~  
6 ~~payment of losses for the current year, including interest on warrants and costs of administration, exceeds~~  
7 ~~the amount of the estimate made by the board for the current year pursuant to 80-2-221."~~

8  
9 **SECTION 215. SECTION 80-2-228, MCA, IS AMENDED TO READ:**

10 **"80-2-228. Reserve fund.** (1) Each year when the hail board ~~makes~~ sets its annual ~~levy~~ fee for  
11 the payment of current losses, for expenses of administration, and for an addition to the reserve if  
12 conditions permit, it may not increase the ~~levy~~ fee enough in any year so that the addition to the reserve  
13 will exceed 5% of the maximum risk written for that year.

14 (2) The board may engage the services of a qualified actuary to conduct an actuarial valuation of  
15 the reserve. This valuation ~~shall~~ may include the actuary's determination of the amount of reserve  
16 necessary to absorb all reasonably anticipated catastrophic losses. This amount is the maximum  
17 permissible reserve fund for the next year.

18 (3) The reserve must be deposited in an enterprise fund.

19 (4) The board may not draw on the reserve for any purpose unless the amount required for the  
20 payment of losses for the current year, including interest on warrants and costs of administration, exceeds  
21 the amount of the estimate made by the board for the current year pursuant to 80-2-221."

22  
23 ~~—— **Section 217.** Section 80-2-229, MCA, is amended to read:~~

24 ~~—— **"80-2-229. Withdrawal of crop in case of destruction through other means.** When any crop~~  
25 ~~insured under this part shall have been is destroyed by any other cause than hail, the applicant may, by~~  
26 ~~furnishing the proof required by the board of hail insurance, cause the crop to be withdrawn exempted~~  
27 ~~from the regular levy fee of the board for the current year. Such The proof shall must be submitted to the~~  
28 ~~board of hail insurance in accordance with its rules. Said The rules shall must be plainly printed on the~~  
29 ~~applications and policies issued by the department. They shall The rules must provide that the cost for~~  
30 ~~such withdrawn insurance shall must be varied as nearly as practical according to the time the insurance~~

1 is in force and according to the risk carried."

2

3 **SECTION 216.** SECTION 80-2-229, MCA, IS AMENDED TO READ:

4 "80-2-229. **Withdrawal of crop in case of destruction through other means.** When any crop  
5 insured under this part ~~shall have been~~ is destroyed by any other cause than hail, the applicant may, by  
6 furnishing the proof required by the board of hail insurance, cause the crop to be ~~withdrawn~~ exempted  
7 from the regular ~~levy~~ fee of the board for the current year. ~~Such~~ The proof ~~shall~~ must be submitted to the  
8 board of hail insurance in accordance with its rules. ~~Said~~ The rules ~~shall~~ must be plainly printed on the  
9 applications and policies issued by the department. ~~They shall~~ The rules must provide that the cost for  
10 ~~such~~ withdrawn insurance ~~shall~~ must be varied as nearly as practical according to the time the insurance  
11 is in force and according to the risk carried."

12

13 ~~Section 218.~~ Section 80-2-230, MCA, is amended to read:

14 ~~"80-2-230. Collection of levies fees -- release of lien.~~ (1) The county treasurer in each county in  
15 the state ~~DEPARTMENT OF REVENUE~~ shall collect all levies made ~~fees imposed~~ under this part in the same  
16 manner as other property taxes are collected and shall keep all moneys ~~money~~ collected by him or for him  
17 for hail insurance in a separate fund to be known as the hail insurance fund and ~~The county treasurer~~  
18 ~~DEPARTMENT OF REVENUE shall remit DEPOSIT the same money in the fund to with~~ the state treasurer in the  
19 same manner as provided by law for the remittance of other moneys ~~money~~ due to the state. All county  
20 treasurers ~~THE DEPARTMENT OF REVENUE~~ shall use due diligence in making the collections of the levies ~~fees~~  
21 provided herein ~~in this part~~. Also the ~~The~~ board may furnish assistance needed at any time in making  
22 collections or may take over the collection of any levy ~~fee~~ at any time, depositing any. ~~The board shall~~  
23 ~~deposit~~ collections therefrom with the treasurer of the county where ~~in which~~ the levy therefor ~~fee~~ was  
24 made ~~imposed~~.

25 ~~(2) All insurance levies fees, whether levied imposed against land or in the form of special~~  
26 ~~assessments secured by crop liens, shall be are payable in full and not in semiannual payments on or~~  
27 ~~before November 30 of each year in which such levies the fees are made imposed.~~

28 ~~(3) Whenever the amount due on any hail insurance secured by a crop lien is paid, the treasurer~~  
29 ~~DEPARTMENT OF REVENUE shall promptly endorse on the lien on file in the office of the county clerk and~~  
30 ~~recorder the amount paid thereon with the date of payment and such the endorsement shall be is a~~

1 satisfaction and release of such the lien."

2

3 **SECTION 217.** SECTION 80-2-230, MCA, IS AMENDED TO READ:

4 **"80-2-230. Collection of levies fees -- release of lien.** (1) The ~~county treasurer in each county in~~  
5 ~~the state~~ department of revenue shall collect all ~~levies made~~ fees imposed under this part ~~in the same~~  
6 ~~manner as other property taxes are collected and shall keep all moneys collected by him or for him for hail~~  
7 ~~insurance in a separate fund to be known as the hail insurance fund and.~~ The department of revenue shall  
8 ~~remit deposit the same money to with~~ the state treasurer ~~in the same manner as provided by law for the~~  
9 ~~remittance of other moneys due to the state. All county treasurers~~ The department of revenue shall use  
10 due diligence in making the collections of the ~~levies~~ fees provided ~~herein in this part.~~ ~~Also the board may~~  
11 ~~furnish assistance needed at any time in making collections or may take over the collection of any levy at~~  
12 ~~any time, depositing any collections therefrom with the treasurer of the county where the levy therefor~~  
13 ~~was made.~~

14 (2) All insurance ~~levies~~ fees, whether ~~levied~~ imposed against land or in the form of special  
15 assessments secured by crop liens, ~~shall be~~ are payable in full and not in semiannual payments on or  
16 before November 30 of each year in which ~~such levies~~ the fees are ~~made~~ imposed.

17 (3) Whenever the amount due on any hail insurance secured by a crop lien is paid, the ~~treasurer~~  
18 ~~department of revenue~~ shall promptly endorse on the lien on file in the office of the county clerk and  
19 recorder the amount paid ~~thereon~~ with the date of payment and ~~such the~~ endorsement ~~shall be~~ is a  
20 satisfaction and release of ~~such the~~ lien."

21

22 ~~SECTION 219.~~ **SECTION 219.** SECTION 80-2-231, MCA, IS AMENDED TO READ:

23 ~~SECTION 219.~~ **"80-2-231. Foreclosure of lien.** If the person receiving hail insurance secured by a crop lien fails  
24 to pay said ~~the fee for~~ insurance to the county treasurer ~~department of revenue~~ by December 1 of the year  
25 in which the crop so insured is grown, the county treasurer ~~department~~ shall on that day or as soon as  
26 possible thereafter ~~after that day~~ deliver to the sheriff of said ~~the~~ county a full, true, and correct copy of  
27 the lien on file in the office of the clerk and recorder and ~~such the~~ sheriff must ~~shall~~ immediately demand  
28 from the person or persons signing ~~such the~~ lien payment of the amount due, thereon and, if the same ~~if~~  
29 ~~the fee~~ is not paid to the sheriff upon such demand being made, the sheriff must forthwith ~~shall~~ seize and  
30 sell in the manner provided by law for the sale of personal property under execution a sufficient amount

of grain belonging to ~~such the~~ person to pay the amount due for hail insurance together with interest and costs and expenses of seizure and sale."

**SECTION 218.** SECTION 80-2-231, MCA, IS AMENDED TO READ:

**"80-2-231. Foreclosure of lien.** If the person receiving hail insurance secured by a crop lien fails to pay ~~said the fee for~~ insurance to the ~~county treasurer~~ department of revenue by December 1 of the year in which the crop ~~so insured~~ is grown, the ~~county treasurer~~ department shall on that day or as soon as possible ~~thereafter~~ after that day deliver to the sheriff of ~~said the~~ county a full, true, and correct copy of the lien on file in the office of the clerk and recorder and ~~such the~~ sheriff ~~must~~ shall immediately demand from the person or persons signing ~~such the~~ lien payment of the amount due, ~~thereon and, if the same~~ If the fee is not paid to the sheriff upon ~~such~~ demand being made, the sheriff ~~must forthwith~~ shall seize and sell in the manner provided by law for the sale of personal property under execution a sufficient amount of grain belonging to ~~such the~~ person to pay the amount due for hail insurance together with interest and costs and expenses of seizure and sale."

~~Section 220.~~ Section 80-2-232, MCA, is amended to read:

~~"80-2-232. State treasurer's DEPARTMENT OF REVENUE'S duty -- warrants -- transfers to county and state general fund.~~ (1) The state treasurer ~~DEPARTMENT OF REVENUE~~ shall receive all money paid under this part and shall place the money in trust for the hail insurance program to the credit of the enterprise fund. All money collected by the board must be deposited in the enterprise fund, and all losses must be paid from that fund. All other costs are administrative expenses and must be paid from the board's enterprise fund. If registered warrants are presented and there is no money to pay the warrants, the warrants must be registered and bear interest at the rate of 4% per annum a year until called for payment by the state treasurer.

~~(2) Upon warrants drawn by order of the board, the state treasurer shall pay out of the board's enterprise fund to the county treasurer of each county where state hail insurance coverage is in force 2% of the gross annual levies made fees imposed and collected in that county under this part for the use of the county as the board of county commissioners may determine.~~

~~(2) THE DEPARTMENT OF REVENUE MAY RETAIN 2% OF THE GROSS ANNUAL FEES IMPOSED AND COLLECTED UNDER THIS PART FOR ADMINISTRATIVE COSTS ASSOCIATED WITH BILLING AND COLLECTION OF HAIL INSURANCE~~



1 ~~PREMIUMS:~~

2 ~~—— (3) Upon authorization from the board of hail insurance, the state treasurer shall transfer out of~~  
3 ~~the board's enterprise fund to the general fund of the state of Montana 1.5% of the gross annual levies~~  
4 ~~made fees imposed and collected in the state of Montana."~~

5

6 **SECTION 219.** ~~SECTION 80-2-232, MCA, IS AMENDED TO READ:~~

7 **"80-2-232. State treasurer's Department of revenue's duty -- warrants -- transfers to county and**  
8 **state general fund.** (1) ~~The state treasurer~~ department of revenue shall receive all money paid under this  
9 part and shall place the money in trust for the hail insurance program to the credit of the enterprise fund.  
10 All money collected by the board must be deposited in the enterprise fund, and all losses must be paid  
11 from that fund. All other costs are administrative expenses and must be paid from the board's enterprise  
12 fund. If registered warrants are presented and there is no money to pay the warrants, the warrants must  
13 be registered and bear interest at the rate of 4% ~~per annum~~ a year until called for payment by the state  
14 treasurer.

15 ~~—— (2) Upon warrants drawn by order of the board, the state treasurer shall pay out of the board's~~  
16 ~~enterprise fund to the county treasurer of each county where state hail insurance coverage is in force 2%~~  
17 ~~of the gross annual levies made and collected in that county under this part for the use of the county as~~  
18 ~~the board of county commissioners may determine.~~

19 ~~—— (2) The department of revenue may retain 2% of the gross annual fees imposed and collected~~  
20 ~~under this part for administrative costs associated with billing and collection of hail insurance premiums.~~

21 (3) Upon authorization from the board of hail insurance, the state treasurer shall transfer out of  
22 the board's enterprise fund to the general fund of the state of Montana 1.5% of the gross annual ~~levies~~  
23 ~~made~~ fees imposed and collected in the state of Montana."

24

25 ~~—— **Section 221.** Section 80-2-244, MCA, is amended to read:~~

26 ~~—— **"80-2-244. Payment of losses.** (1) The board of hail insurance shall, as soon as practicable after~~  
27 ~~the loss has been sustained, arrange for the payment of the loss in the following manner. From the amount~~  
28 ~~of the loss as adjusted for each claimant, the board shall deduct the amount that the claimant then owes~~  
29 ~~as a delinquent hail insurance tax fee and the maximum amount assessed as a hail insurance tax fee for~~  
30 ~~the current year.~~

1       ~~——— (2) The board shall on or before November 1 order payment for the amount so deducted, which~~  
2       ~~The payment shall must be remitted to the county treasurer of the county in which the tax fee was~~  
3       ~~assessed imposed. The board shall then order payment for the balance of the adjustment to be sent to the~~  
4       ~~claimant, provided that in no case may the payment for loss may not exceed \$24 per acre for grain crops~~  
5       ~~on nonirrigated lands, or \$48 per acre on irrigated lands. No A claimant may not receive payment for any~~  
6       ~~loss incurred where if the loss does not equal or exceed 5% of the total value of the crop insured. If the~~  
7       ~~losses in any year exceed the current levy fees plus the reserve, if any, then the payment of all losses shall~~  
8       ~~must be prorated, share and share alike, among all grain growers having loss claims adjusted and~~  
9       ~~approved, and the unpaid balance of the losses shall must be paid out of the reserve without interest in~~  
10       ~~such the order as that the board directs, when in the judgment of the board there are is sufficient moneys~~  
11       ~~money to provide for the payment of the same claims and other items payable out of the reserve. In any~~  
12       ~~year the board may by resolution authorize its chairman presiding officer and secretary to borrow as~~  
13       ~~needed from any person, bank, or corporation such sum or sums of money as that the board may consider~~  
14       ~~necessary for the purpose of paying all warrants as issued.~~

15       ~~——— (3) For any moneys money borrowed under the provisions of this part, the board shall cause~~  
16       ~~warrants to be drawn. The warrants shall must bear interest at a rate not to exceed 6% a year, and the~~  
17       ~~warrants and the interest thereon shall on the warrants must be paid out of funds from the state hail~~  
18       ~~insurance program as they are collected from the various counties in the state. The board may not at any~~  
19       ~~time borrow a total sum greater than the amount of levies as made for taxes the fees imposed for the~~  
20       ~~current year together with such delinquent taxes as fees that remain unpaid on the books of the county~~  
21       ~~treasurer."~~

22

23       **SECTION 220. SECTION 80-2-244, MCA, IS AMENDED TO READ:**

24       **"80-2-244. Payment of losses.** (1) The board of hail insurance shall, as soon as practicable after  
25       the loss has been sustained, arrange for the payment of the loss in the following manner. From the amount  
26       of the loss as adjusted for each claimant, the board shall deduct the amount that the claimant then owes  
27       as a delinquent hail insurance ~~tax~~ fee and the maximum amount assessed as a hail insurance ~~tax~~ fee for  
28       the current year.

29       (2) The board shall on or before November 1 order payment for the amount ~~so~~ deducted, ~~which~~  
30       The payment shall must be remitted to the county treasurer of the county in which the ~~tax~~ fee was

1 ~~assessed~~ imposed. The board shall then order payment for the balance of the adjustment to be sent to the  
2 claimant, provided that ~~in no case may~~ the payment for loss may not exceed \$24 per acre for grain crops  
3 on nonirrigated lands; or \$48 per acre on irrigated lands. ~~No~~ A claimant may not receive payment for any  
4 loss incurred ~~where~~ if the loss does not equal or exceed 5% of the total value of the crop insured. If the  
5 losses in any year exceed the current ~~levy~~ fees plus the reserve, ~~if any~~, then the payment of all losses ~~shall~~  
6 must be prorated, ~~share and share alike~~, among all grain growers having loss claims adjusted and  
7 approved, and the unpaid balance of the losses ~~shall~~ must be paid out of the reserve without interest in  
8 ~~such~~ the order ~~as~~ that the board directs, when in the judgment of the board there ~~are~~ is sufficient ~~moneys~~  
9 money to provide for the payment of the ~~same~~ claims and other items payable out of the reserve. In any  
10 year the board may by resolution authorize its ~~chairman~~ presiding officer and secretary to borrow ~~as~~  
11 ~~needed from any person, bank, or corporation such sum or sums of money as~~ that the board may consider  
12 necessary for the purpose of paying all warrants as issued.

13 (3) For any ~~moneys~~ money borrowed under the provisions of this part, the board shall cause  
14 warrants to be drawn. The warrants ~~shall~~ must bear interest at a rate not to exceed 6% a year, and the  
15 warrants and the interest ~~thereon shall~~ on the warrants must be paid out of funds from the state hail  
16 insurance program as they are collected from the various counties in the state. The board may not at any  
17 time borrow a total sum greater than the amount of ~~levies as made for taxes~~ the fees imposed for the  
18 current year together with ~~such~~ delinquent ~~taxes as~~ fees that remain unpaid on the books of the county  
19 treasurer."

20

21 ~~Section 222. Section 80-7-814, MCA, is amended to read:~~

22 ~~"80-7-814. Administration and expenditure of funds. (1) (a) Except as provided in subsection~~  
23 ~~(1)(b), money deposited in the noxious weed management trust fund may not be committed or expended~~  
24 ~~until the principal reaches \$2.5 million, except in case of a noxious weed emergency as provided in~~  
25 ~~80-7-815. Once this amount is accumulated, interest or revenue generated by the trust fund and by other~~  
26 ~~funding measures provided by this part must be deposited in the special revenue fund and may be~~  
27 ~~expended for noxious weed management projects in accordance with this section, as long as the principal~~  
28 ~~of the trust fund remains at least \$2.5 million.~~

29 ~~(b) Money deposited as principal in the trust fund from 80-7-822 pursuant to 80-7-810(2) may~~  
30 ~~not be expended until the principal of the trust fund reaches \$10 million. However, interest or revenue~~

~~generated by the trust fund must be deposited in the special revenue fund and may be expended for noxious weed management projects in accordance with this section.~~

~~————(2) The department may expend funds under this section through grants or contracts to communities, weed control districts, or other entities that it considers appropriate for noxious weed management projects. A project is eligible to receive funds only if the county in which the project occurs has funded its own weed management program with a levy in an amount not less than 1.6 mills or an equivalent amount from another source or by an amount of not less than \$100,000 for first-class counties, as defined in 7-1-2111.~~

~~————(3) The department may expend funds without the restrictions specified in subsection (2) for the following:~~

~~————(a) employment of a new and innovative noxious weed management project or the development, implementation, or demonstration of any noxious weed management project that may be proposed, implemented, or established by local, state, or national organizations, whether public or private. The expenditures must be on a cost-share basis with the organizations.~~

~~————(b) cost-share noxious weed management programs with local weed control districts;~~

~~————(c) special grants to local weed control districts to eradicate or contain significant noxious weeds newly introduced into the county. These grants may be issued without matching funds from the district.~~

~~————(d) administrative expenses of the department for managing the noxious weed management program and other provisions of this part. The cost of administering the program may not exceed 12% of the total program expenses.~~

~~————(e) administrative expenses incurred by the noxious weed management advisory council;~~

~~————(f) a project recommended by the noxious weed management advisory council, if the department determines that the project will significantly contribute to the management of noxious weeds within the state; and~~

~~————(g) grants to the agricultural experiment station and the cooperative extension service for crop weed management research, evaluation, and education.~~

~~————(4) The agricultural experiment station and cooperative extension service shall submit annual reports on current projects and future plans to the noxious weed management advisory council.~~

~~————(5) In making expenditures under subsections (2) and (3), the department shall give preference to weed control districts and community groups.~~

~~1 ——— (6) If the noxious weed management trust fund is terminated by law, the money in the fund must  
2 be divided between all counties according to rules adopted by the department for that purpose."~~

3  
4 **SECTION 221. SECTION 80-7-814, MCA, IS AMENDED TO READ:**

5 **"80-7-814. Administration and expenditure of funds.** (1) (a) Except as provided in subsection  
6 (1)(b), money deposited in the noxious weed management trust fund may not be committed or expended  
7 until the principal reaches \$2.5 million, except in case of a noxious weed emergency as provided in  
8 80-7-815. Once this amount is accumulated, interest or revenue generated by the trust fund and by other  
9 funding measures provided by this part must be deposited in the special revenue fund and may be  
10 expended for noxious weed management projects in accordance with this section, as long as the principal  
11 of the trust fund remains at least \$2.5 million.

12 (b) Money deposited as principal in the trust fund from 80-7-822 ~~pursuant to 80-7-810(2)~~ may  
13 not be expended until the principal of the trust fund reaches \$10 million. However, interest or revenue  
14 generated by the trust fund must be deposited in the special revenue fund and may be expended for  
15 noxious weed management projects in accordance with this section.

16 (2) The department may expend funds under this section through grants or contracts to  
17 communities, weed control districts, or other entities that it considers appropriate for noxious weed  
18 management projects. A project is eligible to receive funds only if the county in which the project occurs  
19 has funded its own weed management program with a levy in an amount not less than 1.6 mills or an  
20 equivalent amount from another source or by an amount of not less than \$100,000 for first-class counties,  
21 as defined in 7-1-2111.

22 (3) The department may expend funds without the restrictions specified in subsection (2) for the  
23 following:

24 (a) employment of a new and innovative noxious weed management project or the development,  
25 implementation, or demonstration of any noxious weed management project that may be proposed,  
26 implemented, or established by local, state, or national organizations, whether public or private. The  
27 expenditures must be on a cost-share basis with the organizations.

28 (b) cost-share noxious weed management programs with local weed control districts;

29 (c) special grants to local weed control districts to eradicate or contain significant noxious weeds  
30 newly introduced into the county. These grants may be issued without matching funds from the district.

(d) administrative expenses of the department for managing the noxious weed management program and other provisions of this part. The cost of administering the program may not exceed 12% of the total program expenses.

(e) administrative expenses incurred by the noxious weed management advisory council;

(f) a project recommended by the noxious weed management advisory council, if the department determines that the project will significantly contribute to the management of noxious weeds within the state; and

(g) grants to the agricultural experiment station and the cooperative extension service for crop weed management research, evaluation, and education.

(4) The agricultural experiment station and cooperative extension service shall submit annual reports on current projects and future plans to the noxious weed management advisory council.

(5) In making expenditures under subsections (2) and (3), the department shall give preference to weed control districts and community groups.

(6) If the noxious weed management trust fund is terminated by law, the money in the fund must be divided between all counties according to rules adopted by the department for that purpose."

~~Section 223. Section 80-7-815, MCA, is amended to read:~~

~~"80-7-815. Noxious weed emergency -- expenditure authorized. (1) If a new and potentially harmful noxious weed is discovered growing in the state and is verified by the department, the governor may declare a noxious weed emergency. In the absence of necessary funding from other sources, this declaration authorizes the department to allocate up to \$150,000 of the principal of the noxious weed management trust fund to government agencies for emergency relief to eradicate or confine the new noxious weed species.~~

~~(2) If the expenditure causes the principal of the trust fund to fall below \$2.5 million, it must be replenished by the interest or revenue generated by the trust fund, or by the other revenue provided by this part, or by revenue obtained from the fee imposed by 61-3-510, as determined by the department."~~

SECTION 222. SECTION 80-7-815, MCA, IS AMENDED TO READ:

**"80-7-815. Noxious weed emergency -- expenditure authorized.** (1) If a new and potentially harmful noxious weed is discovered growing in the state and is verified by the department, the governor

1 may declare a noxious weed emergency. In the absence of necessary funding from other sources, this  
2 declaration authorizes the department to allocate up to \$150,000 of the principal of the noxious weed  
3 management trust fund to government agencies for emergency relief to eradicate or confine the new  
4 noxious weed species.

5 (2) If the expenditure causes the principal of the trust fund to fall below \$2.5 million, it must be  
6 replenished by the interest or revenue generated by the trust fund; or by the other revenue provided by  
7 this part, ~~or by revenue obtained from the fee imposed by 61-3-510~~, as determined by the department."

8

9 ~~Section 224. Section 80-7-816, MCA, is amended to read:~~

10 ~~"80-7-816. Account -- deposit -- investment. (1) There is an account in the state special revenue~~  
11 ~~fund established in 17-2-102. The interest from the noxious weed trust fund and the fee imposed in~~  
12 ~~61-3-510 must be deposited in the account and must be expended as provided in 80-7-814.~~

13 ~~(2) The department may direct the board of investments to invest the funds collected under~~  
14 ~~subsection (1) pursuant to the provisions of 17-6-201. The income from the investments must be credited~~  
15 ~~to the account in the state special revenue fund."~~

16

17 SECTION 223. SECTION 80-7-816, MCA, IS AMENDED TO READ:

18 "80-7-816. Account -- deposit -- investment. (1) There is an account in the state special revenue  
19 fund established in 17-2-102. The interest from the noxious weed trust fund ~~and the fee imposed in~~  
20 ~~61-3-510~~ must be deposited in the account and must be expended as provided in 80-7-814.

21 (2) The department may direct the board of investments to invest the funds collected under  
22 subsection (1) pursuant to the provisions of 17-6-201. The income from the investments must be credited  
23 to the account in the state special revenue fund."

24

25 ~~Section 225. Section 80-7-822, MCA, is amended to read:~~

26 ~~"80-7-822. (Temporary) Transfer of funds. There is transferred \$1,125,000 annually from the~~  
27 ~~highway nonrestricted account established in 15-70-125 to the noxious weed management trust fund,~~  
28 ~~provided for in 80-7-810(2) 80-7-811, for noxious weed management. (Terminates July 1, 2001--sec. 7,~~  
29 ~~Ch. 493, L. 1999.)"~~

30

1        **SECTION 224.** SECTION 80-7-822, MCA, IS AMENDED TO READ:

2        **"80-7-822. (Temporary) Transfer of funds.** There is transferred \$1,125,000 annually from the  
3 highway nonrestricted account established in 15-70-125 to the noxious weed management trust fund,  
4 provided for in ~~80-7-810(2)~~ 80-7-811, for noxious weed management. (Terminates July 1, 2001--sec. 7,  
5 Ch. 493, L. 1999.)"

6  
7        ~~**Section 226.** Section 81-6-101, MCA, is amended to read:~~

8        ~~**"81-6-101. Petition for county livestock protective committee -- members -- term.** (1) The board  
9 of county commissioners must shall, upon receipt of a petition or petitions to do so, set up a county  
10 livestock protective committee of three members. The petition or petitions must be signed by at least 51%  
11 of the owners of cattle in the county, and such petitioners must own at least 55% of the cattle in the  
12 county must be owned by the petitioner's.~~

13        ~~(2) Members appointed to serve on such the committee shall must be residents of the county  
14 engaged in the business of raising cattle. If there be is in the county any organization of cattle growers,  
15 the county commissioners shall give preference to names submitted by any such the group for  
16 appointment to such the committee. The term for which said the committee members shall be are  
17 appointed shall be is 2 years, with two members of the first committee named to serve for 2 years, and  
18 one member to serve for 1 year. Members of such the committee shall may not receive no remuneration  
19 or reimbursement for expenses for serving on said the committee.~~

20        ~~(3) By As used in this section, "organization of cattle growers", as used in this section, is meant  
21 means any group or organization holding regular meetings at least annually, having officers, and composed  
22 predominantly of cattle growers resident in the county, with its membership open to cattle growers willing  
23 to abide by its governing rules or bylaws, and its The general purpose being of the organization must be  
24 the promotion of the interests of its members in matters pertaining to the cattle or livestock industry.~~

25        ~~(4) If the owners of sheep in the county desire to come under the provisions of this part in  
26 cooperation with owners of cattle, they shall file a like petition to that set out herein for owners of cattle  
27 meeting the requirements of subsection (1) with the county commissioners, and in such that case, at least  
28 one member of said the livestock protective committee shall must be a sheep grower and where the word  
29 "cattle" appears in this part, it shall be deemed to comprehend also includes the word "sheep".~~

30        ~~(5) Owners of sheep alone may form a county livestock protective committee, in which case the~~



~~word "cattle" as used in this part contained shall be is considered as if it were the word to mean "sheep";~~  
~~and provided further that the levy as provided in 81-6-104 hereof shall, in the case of sheep, not exceed~~  
~~5 cents per head."~~

**SECTION 225. SECTION 81-6-101, MCA, IS AMENDED TO READ:**

**"81-6-101. Petition for county livestock protective committee -- members -- term.** (1) The board of county commissioners ~~must~~ shall, upon receipt of a petition or petitions to do so, set up a county livestock protective committee of three members. The petition or petitions must be signed by at least 51% of the owners of cattle in the county, and ~~such petitioners must own~~ at least 55% of the cattle in the county must be owned by the petitioners.

(2) Members appointed to serve on ~~such the~~ committee ~~shall~~ must be residents of the county engaged in the business of raising cattle. If there ~~be is~~ in the county any organization of cattle growers, the county commissioners shall give preference to names submitted by ~~any such the~~ group for appointment to ~~such the~~ committee. The term for which ~~said the~~ committee members ~~shall be~~ are appointed ~~shall be is~~ 2 years, with two members of the first committee named to serve for 2 years; and one member to serve for 1 year. Members of ~~such the~~ committee ~~shall~~ may not receive ~~no~~ remuneration or reimbursement for expenses for serving on ~~said the~~ committee.

(3) ~~By As used in this section, "organization of cattle growers", as used in this section, is meant~~  
means any group or organization holding regular meetings at least annually, having officers, and composed predominantly of cattle growers resident in the county, with its membership open to cattle growers willing to abide by its governing rules or bylaws; and its The general purpose being of the organization must be the promotion of the interests of its members in matters pertaining to the cattle or livestock industry.

(4) If the owners of sheep in the county desire to come under the provisions of this part in cooperation with owners of cattle, they shall file a ~~like petition to that set out herein for owners of cattle~~ meeting the requirements of subsection (1) with the county commissioners, and in ~~such that~~ case, at least one member of ~~said the~~ livestock protective committee ~~shall~~ must be a sheep grower and where the word "cattle" appears in this part, it ~~shall be deemed to comprehend also~~ includes the word "sheep".

(5) Owners of sheep ~~alone~~ may form a county livestock protective committee, in which case the word "cattle" as used in this part ~~contained shall be is~~ considered as if it were the word to mean "sheep"; ~~and provided further that the levy as provided in 81-6-104 hereof shall, in the case of sheep, not exceed~~

1 5 cents per head."

2

3 ~~Section 227. Section 81-6-104, MCA, is amended to read:~~

4 ~~"81-6-104. Tax levy Fee -- special fund. The county livestock protective committee may~~  
5 ~~recommend to the board of county commissioners the levy imposition of a tax fee in an amount not to~~  
6 ~~exceed 50 cents per head on all cattle 9 months of age or older in the county on January 1, and the board~~  
7 ~~of county commissioners shall thereupon be empowered to levy such tax impose the fee, to be collected~~  
8 ~~as other taxes on personal property and when collected to be deposited by the county treasurer in a~~  
9 ~~special fund to be known as the stockmen's livestock special deputy fund, together with any other funds~~  
10 ~~made available from county, state, federal, or private sources for the purposes of this part."~~

11

12 SECTION 226. SECTION 81-6-104, MCA, IS AMENDED TO READ:

13 "81-6-104. Tax levy Fee -- special fund. The county livestock protective committee may  
14 recommend to the board of county commissioners the levy imposition of a tax fee in an amount not to  
15 exceed 50 cents per head on all cattle 9 months of age or older in the county on January 1, and the board  
16 of county commissioners shall thereupon be empowered to levy such tax impose the fee, to be collected  
17 as other taxes on personal property and when collected to be deposited by the county treasurer in a  
18 special fund to be known as the stockmen's livestock special deputy fund, together with any other funds  
19 made available from county, state, federal, or private sources for the purposes of this part."

20

21 ~~Section 228. Section 81-6-106, MCA, is amended to read:~~

22 ~~"81-6-106. Discontinuing county livestock protective committee. Upon receipt of a petition or~~  
23 ~~petitions signed as provided in 81-6-101, the board of county commissioners shall discontinue said a~~  
24 ~~county livestock protective committee, provided, however, that such action in discontinuing said The~~  
25 ~~discontinuance of the committee shall does not affect any levy made fee imposed prior to the receipt of~~  
26 ~~such the petition or petitions and the proceeds of any levy made shall fee imposed must be used for the~~  
27 ~~purposes as in of this part set out. No A district shall may not be discontinued so as long as there is any~~  
28 ~~outstanding indebtedness against it."~~

29

30 SECTION 227. SECTION 81-6-106, MCA, IS AMENDED TO READ:

1       **"81-6-106. Discontinuing county livestock protective committee.** Upon receipt of a petition or  
2 petitions signed as provided in 81-6-101, the board of county commissioners shall discontinue ~~said a~~  
3 county livestock protective committee; ~~provided, however, that such action in discontinuing said~~ The  
4 discontinuance of the committee shall does not affect any levy made fee imposed prior to the receipt of  
5 such the petition or petitions and the proceeds of any ~~levy made shall fee imposed must~~ be used for the  
6 purposes ~~as in of~~ this part ~~set out~~. ~~No A district shall may not~~ be discontinued ~~so as~~ long as there is any  
7 outstanding indebtedness against it."

8  
9       ~~Section 229. Section 81-6-204, MCA, is amended to read:~~

10       ~~"81-6-204. Tax levy Fee -- deposit of proceeds.~~ The district cattle protective committee may  
11 ~~recommend to the board of county commissioners the levy imposition of a tax fee in an amount not to~~  
12 ~~exceed 50 cents per head on all cattle 9 months of age or older in the district on January 1, and the board~~  
13 ~~of county commissioners shall thereupon be empowered to levy such tax impose the fee, to be collected~~  
14 ~~as other taxes on personal property and when collected to be deposited in the county treasury of one of~~  
15 ~~the counties in the district, to be selected by the district cattle protective committee, in a special fund to~~  
16 ~~be known as the stockmen's livestock special deputy fund, together with any other funds made available~~  
17 ~~from county, state, federal, or private sources for the purposes of this part."~~

18  
19       SECTION 228. SECTION 81-6-204, MCA, IS AMENDED TO READ:

20       **"81-6-204. Tax levy Fee -- deposit of proceeds.** The district cattle protective committee may  
21 recommend to the board of county commissioners the levy imposition of a tax fee in an amount not to  
22 exceed 50 cents per head on all cattle 9 months of age or older in the district on January 1, and the board  
23 of county commissioners shall ~~thereupon be empowered to levy such tax~~ impose the fee, to be collected  
24 ~~as other taxes on personal property and when collected to be deposited in the county treasury of one of~~  
25 the counties in the district, ~~to be~~ selected by the district cattle protective committee, in a special fund to  
26 be known as the ~~stockmen's~~ livestock special deputy fund, together with any other funds made available  
27 from county, state, federal, or private sources for the purposes of this part."

28  
29       ~~Section 230. Section 81-6-205, MCA, is amended to read:~~

30       ~~"81-6-205. Removal of area from protective district -- discontinuance of district -- levy fee saved.~~

1 Upon receipt of a petition or petitions signed in the same number and the same manner as the petition to  
2 form the district provided for in 81-6-201, a board of county commissioners shall remove the area in its  
3 county from the cattle protective district or the boards of county commissioners of all of the counties  
4 affected may discontinue the entire cattle protective district, ~~provided, however, that such action in~~  
5 ~~discontinuing said~~ The discontinuance of a district or part of a district shall does not affect any levy made  
6 fee imposed prior to the receipt of such ~~the~~ petition or petitions and the proceeds of any levy made shall  
7 fee imposed must be used for the purposes as in ~~of~~ this part set out. ~~No A district or portion of such a~~  
8 ~~district shall may not~~ be discontinued so ~~as~~ long as there is any outstanding indebtedness against it."

9  
10 **SECTION 229.** SECTION 81-6-205, MCA, IS AMENDED TO READ:

11 **"81-6-205. Removal of area from protective district -- discontinuance of district -- levy fee saved.**

12 Upon receipt of a petition or petitions signed in the same number and the same manner as the petition to  
13 form the district provided for in 81-6-201, a board of county commissioners shall remove the area in its  
14 county from the cattle protective district or the boards of county commissioners of all of the counties  
15 affected may discontinue the entire cattle protective district, ~~provided, however, that such action in~~  
16 ~~discontinuing said~~ The discontinuance of a district or part of a district shall does not affect any levy made  
17 fee imposed prior to the receipt of ~~such~~ the petition or petitions and the proceeds of any ~~levy made shall~~  
18 fee imposed must be used for the purposes ~~as in~~ of this part ~~set out~~. ~~No A district or portion of such a~~  
19 ~~district shall may not~~ be discontinued so ~~as~~ long as there is any outstanding indebtedness against it."

20  
21 ~~Section 231.~~ Section 81-6-209, MCA, is amended to read:

22 ~~"81-6-209. Tax levy Fee -- deposit of proceeds.~~ The district cattle protective committee may  
23 recommend to the board of county commissioners the ~~levy imposition of a tax fee in an amount not to~~  
24 exceed 50 cents per head on all cattle 9 months of age or older in the district on January 1, and the board  
25 of county commissioners shall thereupon be empowered to levy such tax ~~impose the fee, to be collected~~  
26 as other taxes on personal property and when collected to be deposited in the county treasury in a special  
27 fund to be known as the stockmen's livestock special deputy fund, together with any other funds made  
28 available from county, state, federal, or private sources for the purposes of this part."

29  
30 **SECTION 230.** SECTION 81-6-209, MCA, IS AMENDED TO READ:

1       **"81-6-209. Tax-levy Fee -- deposit of proceeds.** The district cattle protective committee may  
2 recommend to the board of county commissioners the levy imposition of a tax fee in an amount not to  
3 exceed 50 cents per head on all cattle 9 months of age or older in the district on January 1, and the board  
4 of county commissioners shall ~~thereupon be empowered to levy such tax~~ impose the fee, to be collected  
5 ~~as other taxes on personal property and when collected to be deposited in the county treasury in a special~~  
6 fund to be known as the ~~stockmen's~~ livestock special deputy fund, together with any other funds made  
7 available from county, state, federal, or private sources for the purposes of this part."

8  
9       ~~Section 232. Section 81-6-210, MCA, is amended to read:~~

10       ~~"81-6-210. Discontinuance of district -- levy fee saved.~~ Upon receipt of a petition or of petitions  
11 signed in the same number and in the same manner as the petition to form the district, as herein provided,  
12 the board of county commissioners shall discontinue the cattle protective district, ~~provided, however, that~~  
13 such action in discontinuing said ~~The discontinuance of the district shall does not affect any levy made~~  
14 fee imposed prior to the receipt of such ~~the~~ petition or petitions, ~~and the proceeds of any levy made shall~~  
15 fee imposed must be used for the purposes as in of this part set out. ~~No A district or portion of such a~~  
16 district shall may not be discontinued so as long as there is any outstanding indebtedness against it."

17  
18       SECTION 231. SECTION 81-6-210, MCA, IS AMENDED TO READ:

19       **"81-6-210. Discontinuance of district -- levy fee saved.** Upon receipt of a petition or of petitions  
20 signed in the same number and in the same manner as the petition to form the district, ~~as herein provided,~~  
21 the board of county commissioners shall discontinue the cattle protective district, ~~provided, however, that~~  
22 such action in discontinuing said ~~The discontinuance of the district shall does not affect any levy made~~  
23 fee imposed prior to the receipt of ~~such the~~ petition or petitions, ~~and the proceeds of any levy made shall~~  
24 fee imposed must be used for the purposes as in of this part ~~set out. No A district or portion of such a~~  
25 district ~~shall~~ may not be discontinued so as long as there is any outstanding indebtedness against it."

26  
27       ~~Section 233. Section 81-7-104, MCA, is amended to read:~~

28       ~~"81-7-104. (Temporary) Predator control moneys money -- use of proceeds.~~ (1) The department  
29 of livestock shall allocate a portion of the money from the levy fee under 15-24-921 for the purpose of  
30 protecting livestock in the state against destruction, depredation, and injury by wild animals, whether the

1 livestock is on lands in private ownership, in the ownership of the state, or in the ownership of the United  
2 States, including open ranges and all lands in or of the public domain. This protection may be by any  
3 means of effective predatory animal destruction, extermination, and control, including systematic hunting  
4 and trapping and payment of bounties.

5 ~~—— (2) Money shall may be paid out only on claims duly and regularly presented to the department~~  
6 ~~of livestock and approved by the department in accordance with the law applicable either to claims for~~  
7 ~~bounties or for other expenditures necessary and proper for predatory animal control by means and~~  
8 ~~methods other than payment of bounties, as determined by the department. Money designated for predator~~  
9 ~~control shall must be available for the payment of bounty claims and for expenditures for planned,~~  
10 ~~seasonal, or other campaigns directed or operated by the department in cooperation with other agencies~~  
11 ~~for the systematic destruction, extermination, and control of predatory wild animals, as determined by the~~  
12 ~~department and its advisory committee. No claims Claims may not be approved in excess of moneys~~  
13 ~~money available for such purposes that purpose, and no warrants may not be registered against the~~  
14 ~~moneys money.~~

15 ~~—— **81-7-104. (Effective on occurrence of contingency) Predator control money -- use of proceeds.**~~

16 ~~(1) The department of livestock shall allocate a portion of the money from the levy fee under 15-24-921~~  
17 ~~for the purpose of protecting livestock in the state against destruction, depredation, and injury by~~  
18 ~~predatory animals, whether the livestock is on lands in private ownership, in the ownership of the state,~~  
19 ~~or in the ownership of the United States, including open ranges and all lands in or of the public domain.~~  
20 ~~This protection may be by any means of effective predatory animal destruction, extermination, and control,~~  
21 ~~including systematic hunting and trapping and payment of bounties.~~

22 ~~—— (2) Money must may be paid out only on claims duly and regularly presented to the department~~  
23 ~~of livestock and approved by the department in accordance with the law applicable either to claims for~~  
24 ~~bounties or for other expenditures necessary and proper for predatory animal control by means and~~  
25 ~~methods other than payment of bounties, as determined by the department. Money designated for predator~~  
26 ~~control must be available for the payment of bounty claims and for expenditures for planned, seasonal,~~  
27 ~~or other campaigns directed or operated by the department in cooperation with other agencies for the~~  
28 ~~systematic destruction, extermination, and control of predatory animals, as determined by the department~~  
29 ~~and its advisory committee. Claims may not be approved in excess of money available for those purposes~~  
30 ~~that purpose, and warrants may not be registered against the money."~~

**SECTION 232.** SECTION 81-7-104, MCA, IS AMENDED TO READ:

**"81-7-104. (Temporary) Predator control ~~moneys~~ money -- use of proceeds.** (1) The department of livestock shall allocate a portion of the money from the ~~levy fee~~ under 15-24-921 for the purpose of protecting livestock in the state against destruction, depredation, and injury by wild animals, whether the livestock is on lands in private ownership, in the ownership of the state, or in the ownership of the United States, including open ranges and all lands in or of the public domain. This protection may be by any means of effective predatory animal destruction, extermination, and control, including systematic hunting and trapping and payment of bounties.

(2) Money ~~shall~~ may be paid out only on claims ~~duly and regularly~~ presented to the department of livestock and approved by the department in accordance with the law applicable either to claims for bounties or for other expenditures ~~necessary and proper~~ for predatory animal control ~~by means and~~ methods other than payment of bounties, as determined by the department. Money designated for predator control ~~shall~~ must be available for the payment of bounty claims and for expenditures for planned, seasonal, or other campaigns directed or operated by the department in cooperation with other agencies for the systematic destruction, extermination, and control of predatory wild animals, as determined by the department and its advisory committee. ~~No claims~~ Claims may ~~not~~ be approved in excess of ~~moneys~~ money available for ~~such purposes~~ that purpose, and ~~no~~ warrants may ~~not~~ be registered against the ~~moneys~~ money.

**81-7-104. (Effective on occurrence of contingency) Predator control money -- use of proceeds.**

(1) The department of livestock shall allocate a portion of the money from the ~~levy fee~~ under 15-24-921 for the purpose of protecting livestock in the state against destruction, depredation, and injury by predatory animals, whether the livestock is on lands in private ownership, in the ownership of the state, or in the ownership of the United States, including open ranges and all lands in or of the public domain. This protection may be by any means of effective predatory animal destruction, extermination, and control, including systematic hunting and trapping and payment of bounties.

(2) Money ~~must~~ may be paid out only on claims ~~duly and regularly~~ presented to the department of livestock and approved by the department in accordance with the law applicable either to claims for bounties or for other expenditures ~~necessary and proper~~ for predatory animal control ~~by means and~~ methods other than payment of bounties, as determined by the department. Money designated for predator

control must be available for the payment of bounty claims and for expenditures for planned, seasonal, or other campaigns directed or operated by the department in cooperation with other agencies for the systematic destruction, extermination, and control of predatory animals, as determined by the department and its advisory committee. Claims may not be approved in excess of money available for ~~those purposes~~ that purpose, and warrants may not be registered against the money."

~~SECTION 234. SECTION 81-7-113, MCA, IS AMENDED TO READ:~~

~~"81-7-113. Claim for bounty. (1) A sheriff, undersheriff, and deputy sheriff, to prevent fraud, shall carefully examine each skin presented. If the examination discloses that the scalp and ears with the skin from the entire head of the animal have not been severed, punched, patched, or marked, he the officer shall, in the presence of the person presenting the skin, mark the skin by severing the skin from the head, including the ears, and then redeliver the skin to the person presenting it, and The officer shall require an affidavit from the claimant that the claimant killed the animal. The affidavit shall must be on forms prescribed by the department and contain information the department requires.~~

~~(2) The officer shall require affidavits from two resident taxpayers residents residing in the vicinity in which the animal was killed, setting forth that they are resident taxpayers residents paying fees on livestock, giving their post-office addresses, and stating that they are personally acquainted with the person presenting the skin and, to their knowledge, the person did kill the animal from which the skin was taken within 30 days preceding the offering of the skin for a bounty to the sheriff, undersheriff, or deputy sheriff to which it is presented. A taxpayer An individual who makes a false certificate or affidavit under this section in a material portion is guilty of a felony, punishable the same as for the crime of perjury."~~

SECTION 233. SECTION 81-7-113, MCA, IS AMENDED TO READ:

**"81-7-113. Claim for bounty.** (1) A sheriff, undersheriff, and deputy sheriff, to prevent fraud, shall carefully examine each skin presented. If the examination discloses that the scalp and ears with the skin from the entire head of the animal have not been severed, punched, patched, or marked, ~~he~~ the officer shall, in the presence of the person presenting the skin, mark the skin by severing the skin from the head, including the ears, and then redeliver the skin to the person presenting it, ~~and~~ The officer shall require an affidavit from the claimant that the claimant killed the animal. The affidavit ~~shall~~ must be on forms prescribed by the department and contain information the department requires.



(2) The officer shall require affidavits from two ~~resident taxpayers~~ residents residing in the vicinity in which the animal was killed, setting forth that they are ~~resident taxpayers~~ residents paying fees on livestock, giving their post-office addresses, and stating that they are personally acquainted with the person presenting the skin and, to their knowledge, the person did kill the animal from which the skin was taken within 30 days preceding the offering of the skin for a bounty to the sheriff, undersheriff, or deputy sheriff to which it is presented. ~~A taxpayer~~ An individual who makes a false certificate or affidavit under this section in a material portion is guilty of a felony, punishable the same as for the crime of perjury."

~~SECTION 235. SECTION 81-7-114, MCA, IS AMENDED TO READ:~~

~~"81-7-114. Certificate and record of sheriff. (1) Upon receiving the affidavit required pursuant to 81-7-113, the officer shall deliver to the person claiming a bounty a certificate addressed to the county clerk of the officer's county and immediately deliver to the county clerk a duplicate of the certificate, showing the date, number, and kind of skins marked for severing and the name of the person presenting the skins. The certificate must also recite that the filing of the affidavits of taxpayers required by 81-7-113 has been done and the examination of the skins has been made as required. The certificate must be signed by the officer in the officer's official capacity. When a doubt exists as to the kind of skin presented, whether wolf or coyote, the certificate must be issued for the lesser bounty. Each sheriff shall keep a record of all skins marked and severed, showing the date, number, and kinds and the names of the persons presenting the skins. This record is an official record. The sheriff, undersheriff, or deputy sheriff may not perform any duties under 81-7-111 through 81-7-118 and 81-7-120 through 81-7-122 except at the county seat.~~

~~(2) The sheriff shall, not later than the 15th of each month, give to the county clerk and recorder a report setting forth the names of the persons presenting skins, with the number of the certificate and the kind and number of the skins presented. The sheriff shall report for each certificate issued during the month."~~

~~SECTION 234. SECTION 81-7-114, MCA, IS AMENDED TO READ:~~

~~"81-7-114. Certificate and record of sheriff. (1) Upon receiving the affidavit required pursuant to 81-7-113, the officer shall deliver to the person claiming a bounty a certificate addressed to the county clerk of the officer's county and immediately deliver to the county clerk a duplicate of the certificate,~~

1 showing the date, number, and kind of skins marked for severing and the name of the person presenting  
2 the skins. The certificate must also recite that the filing of the affidavits of taxpayers required by 81-7-113  
3 has been done and the examination of the skins has been made as required. The certificate must be signed  
4 by the officer in the officer's official capacity. ~~When a doubt exists as to the kind of skin presented,~~  
5 ~~whether wolf or coyote, the certificate must be issued for the lesser bounty.~~ Each sheriff shall keep a  
6 record of all skins marked and severed, showing the date, number, and kinds and the names of the persons  
7 presenting the skins. This record is an official record. The sheriff, undersheriff, or deputy sheriff may not  
8 perform any duties under 81-7-111 through 81-7-118 and 81-7-120 through 81-7-122 except at the  
9 county seat.

10 (2) The sheriff shall, not later than the 15th of each month, give to the county clerk and recorder  
11 a report setting forth the names of the persons presenting skins, with the number of the certificate and  
12 the kind and number of the skins presented. The sheriff shall report for each certificate issued during the  
13 month."

14  
15 ~~Section 236.~~ Section 81-7-118, MCA, is amended to read:

16 ~~"81-7-118. (Temporary) Levy of tax Fee for purpose of paying bounty claims -- limitation on levy~~  
17 ~~fee.~~ The department of revenue shall annually prescribe the levy fee recommended by the department to  
18 ~~be made assessed~~ against livestock of all classes for paying for the destruction of wild animals killed in  
19 this state. The tax in any 1 year may not exceed 7.5 mills on the taxable value of the livestock. The  
20 money received must be used only for the payment of claims approved by the department for the  
21 destruction of wild animals and for the administration of 81-7-111 through 81-7-118 and 81-7-120  
22 through 81-7-122. The money received for the taxes levied fees imposed must be sent annually with other  
23 taxes to the state treasurer by the county treasurer of each county. When the money is received by the  
24 state treasurer, it must be placed in the state special revenue fund and may then be paid out on claims  
25 approved under the law governing the payment of claims.

26 ~~81-7-118. (Effective on occurrence of contingency) Levy of tax Fee for purpose of paying bounty~~  
27 ~~claims -- limitation on levy fee.~~ The department of revenue shall annually prescribe the levy fee  
28 recommended by the department to be made assessed against livestock of all classes for paying for the  
29 destruction of predatory animals killed in this state. The tax in any 1 year may not exceed 7.5 mills on the  
30 taxable value of the livestock. The money received must be used only for the payment of claims approved

1 ~~by the department for the destruction of predatory animals and for the administration of 81-7-111 through~~  
2 ~~81-7-118 and 81-7-120 through 81-7-122. The money received for the taxes levied fees imposed must~~  
3 ~~be sent annually with other taxes to the state treasurer by the county treasurer of each county. When the~~  
4 ~~money is received by the state treasurer, it must be placed in the state special revenue fund and may then~~  
5 ~~be paid out on claims approved under the law governing the payment of claims."~~

6  
7 **SECTION 235.** ~~SECTION 81-7-118, MCA, IS AMENDED TO READ:~~

8 **"81-7-118. (Temporary) Levy of tax Fee for purpose of paying bounty claims -- limitation on levy**  
9 **fee.** The department of revenue shall annually prescribe the levy fee recommended by the department to  
10 be ~~made~~ assessed against livestock of all classes for paying for the destruction of wild animals killed in  
11 this state. ~~The tax in any 1 year may not exceed 7.5 mills on the taxable value of the livestock. The~~  
12 ~~money received must be used only for the payment of claims approved by the department for the~~  
13 ~~destruction of wild animals and for the administration of 81-7-111 through 81-7-118 and 81-7-120~~  
14 ~~through 81-7-122. The money received for the taxes levied fees imposed must be sent annually with other~~  
15 ~~taxes to the state treasurer by the county treasurer of each county. When the money is received by the~~  
16 ~~state treasurer, it must be placed in the state special revenue fund and may then be paid out on claims~~  
17 ~~approved under the law governing the payment of claims.~~

18 **81-7-118. (Effective on occurrence of contingency) Levy of tax Fee for purpose of paying bounty**  
19 **claims -- limitation on levy fee.** The department of revenue shall annually prescribe the levy fee  
20 recommended by the department to be ~~made~~ assessed against livestock of all classes for paying for the  
21 destruction of predatory animals killed in this state. ~~The tax in any 1 year may not exceed 7.5 mills on the~~  
22 ~~taxable value of the livestock. The money received must be used only for the payment of claims approved~~  
23 ~~by the department for the destruction of predatory animals and for the administration of 81-7-111 through~~  
24 ~~81-7-118 and 81-7-120 through 81-7-122. The money received for the taxes levied fees imposed must~~  
25 ~~be sent annually with other taxes to the state treasurer by the county treasurer of each county. When the~~  
26 ~~money is received by the state treasurer, it must be placed in the state special revenue fund and may then~~  
27 ~~be paid out on claims approved under the law governing the payment of claims."~~

28  
29 ~~**Section 237.** Section 81-7-201, MCA, is amended to read:~~

30 ~~**"81-7-201. County levy fee for bounties on predatory animals. Whenever the owners, agent, or**~~

~~agents of the owners representing of not less than 51% of the livestock of any county in this state present a petition to the board of county commissioners of such county asking for the levy imposition of a tax fee upon the livestock of the county for the purpose of paying bounties on predatory animals killed in the county, it is the duty of the the board of county commissioners to make the levy, which may not exceed 50 mills on the dollar of the taxable value of shall impose the fee on all livestock in the county. The tax shall be assessed and collected in the same manner as all other state and county taxes."~~

**SECTION 236.** SECTION 81-7-201, MCA, IS AMENDED TO READ:

**"81-7-201. County levy fee for bounties on predatory animals.** Whenever the owners, agent, or agents of the owners representing of not less than 51% of the livestock of any county in this state present a petition to the board of county commissioners of such county asking for the levy imposition of a tax fee upon the livestock of the county for the purpose of paying bounties on predatory animals killed in the county, it is the duty of the the board of county commissioners to make the levy, which may not exceed 50 mills on the dollar of the taxable value of shall impose the fee on all livestock in the county. The tax shall be assessed and collected in the same manner as all other state and county taxes."

~~**Section 238.** Section 81-7-202, MCA, is amended to read:~~

~~**"81-7-202. Signers of petition -- time for presenting -- limitation on bounties -- bounty inspectors.**~~

~~(1) The petition provided for in 81-7-201 shall must be signed by the owners, agent, or agents of the owners of not less than 51% of the livestock of such the county as ascertained from the assessment books of such county and shall must recommend to the board of county commissioners the bounties to be paid on such predatory animals, which shall may not exceed the following:~~

- ~~—— (a) on each wolf or mountain lion, \$100;~~
- ~~—— (b) on each wolf pup or mountain lion kitten, \$20;~~
- ~~—— (c) on one coyote, \$5; and~~
- ~~—— (d) on each coyote pup, \$2.50.~~

~~(2) Such A petition shall must be presented not later than August 1 of each year, and the board of county commissioners on determining the sufficiency of such the petition shall make an order granting such the petition, which The order shall must fix the levy fee for that year and the amount of the bounties to be paid for the killing of each such predatory animal, which shall may not exceed the amounts~~

1 ~~recommended in such the petition, The order may also and appoint not less than 10 or more than 20~~  
2 ~~stockowners of such the county to be bounty inspectors under this part, without compensation, who shall~~  
3 ~~hold their offices for 1 year."~~

4  
5 **SECTION 237.** SECTION 81-7-202, MCA, IS AMENDED TO READ:

6 **"81-7-202. Signers of petition -- time for presenting -- limitation on bounties -- bounty inspectors.**

7 (1) The petition provided for in 81-7-201 ~~shall~~ must be signed by the owners, ~~agent,~~ or agents of the  
8 owners of not less than 51% of the livestock of ~~such the~~ county ~~as ascertained from the assessment~~  
9 ~~books of such county~~ and ~~shall~~ must recommend to the board of county commissioners the bounties to  
10 be paid on ~~such~~ predatory animals, which ~~shall~~ may not exceed the following:

- 11 (a) on each wolf or mountain lion, \$100;  
12 (b) on each wolf pup or mountain lion kitten, \$20;  
13 (c) on one coyote, \$5; and  
14 (d) on each coyote pup, \$2.50.

15 (2) ~~Such~~ A petition ~~shall~~ must be presented not later than August 1 of each year, and the board  
16 of county commissioners on determining the sufficiency of ~~such the~~ petition shall make an order granting  
17 ~~such the~~ petition, ~~which The order shall~~ must fix the levy fee for that year and the amount of the bounties  
18 to be paid for the killing of each ~~such~~ predatory animal, which ~~shall~~ may not exceed the amounts  
19 recommended in ~~such the~~ petition, ~~The order may also and~~ appoint not less than 10 or more than 20  
20 stockowners of ~~such the~~ county to be bounty inspectors under this part, without compensation, who shall  
21 hold their offices for 1 year."

22  
23 **Section 238.** Section 81-8-503, MCA, is amended to read:

24 **"81-8-503. Expenditures for purebred livestock shows and sales.** ~~The boards~~ A board of county  
25 commissioners ~~of the several counties of the state of Montana may and they are hereby authorized to~~  
26 ~~expend annually from the general fund of the county, not to exceed a sum equal to a levy of one-fourth~~  
27 ~~mill on the taxable property of the county, an amount~~ for the purpose of conducting special purebred  
28 livestock shows and special purebred livestock sales within the county."

29  
30 **Section 239.** Section 81-8-504, MCA, is amended to read:

1       **"81-8-504. Tax levy authorized.** For the purpose of defraying the costs of ~~such~~ purebred livestock  
2 shows and purebred livestock sales, the county commissioners ~~are authorized~~ may, subject to 15-10-420,  
3 ~~to levy annually a tax not to exceed one-fourth mill~~ on the taxable value of all taxable property ~~of in~~ the  
4 county, in excess of the amount levied for county purposes. The taxes must be paid into the general fund  
5 of the county."

6  
7       **Section 240.** Section 85-3-412, MCA, is amended to read:

8       **"85-3-412. Petition content.** (1) The petition for the creation of a weather modification authority  
9 and for appointment of commissioners ~~shall~~ must contain:

10       (a) a title with the heading "Petition for Creation of (insert name of county) Weather Modification  
11 Authority";

12       (b) the following paragraph: We, the undersigned qualified electors of (name of county), state of  
13 Montana, request that the (name of county) board of county commissioners create by resolution a (name  
14 of county) weather modification authority and appoint the following five qualified electors of the county  
15 to 5-year terms of office as commissioners for the (name of county) weather modification authority:

16       (Here insert the name and address of each proposed commissioner for the (name of county)  
17 weather modification authority.)

18       (c) the following paragraph: We, the undersigned qualified electors of the (name of county), state  
19 of Montana, are notified that the creation of the (name of county) weather modification authority and the  
20 appointment of its commissioners by the (name of county) board of county commissioners will grant the  
21 authority the power to certify to the board of county commissioners a mill levy tax ~~not to exceed 2 mills~~  
22 upon the ~~net taxable valuation~~ value of all taxable property in the county for a weather modification fund;  
23 ~~which The tax may be levied in excess of the mill levy limit fixed by law for taxes for general county~~  
24 ~~purposes and that such~~ is subject to 15-10-420. The weather modification fund must be used for weather  
25 modification activities as provided by 85-3-424. We, the undersigned, understand that the authority  
26 requested in this petition expires 5 years after the creation of the weather modification authority, except  
27 that the board of county commissioners may by resolution create a weather modification authority and all  
28 its powers, including the power to certify a tax levy as provided in 85-3-422, for one or more 5-year  
29 periods in accordance with 85-3-414.

30       (d) a heading, "Committee for Petitioners", followed by this statement: The following electors of

(name of county), state of Montana, are authorized to represent and act for us and shall constitute the "Committee for the Petitioners" in the matter of this petition and all acts subsequent ~~thereto~~ to this petition.

(2) All signatures to ~~such~~ the petition must be numbered and dated by month, day, and year. The name must be written, with residence address and post-office address, including the county of residence.

(3) An affidavit must be attached to each petition and sworn to under oath before a notary public by the person circulating each petition, attesting to the fact that ~~he~~ the person circulated the petition and that each of the signatures to the petition is the genuine signature of the person whose name it purports to be and that each ~~such~~ person is a qualified elector in the county in which the petition was circulated."

**Section 241.** Section 85-3-422, MCA, is amended to read:

**"85-3-422. Tax certified by weather modification authority -- disposition of proceeds.** (1) The authority may certify annually to the board of county commissioners a tax ~~of not to exceed 2 mills upon~~ on the taxable valuation value of the all taxable property in the county for a weather modification fund. Subject to 15-10-420, the tax ~~must~~ may be levied by the board of county commissioners ~~and may be levied in excess of the mill levy limit fixed by law for taxes for general county purposes.~~ The weather modification fund may be used only for weather modification activities as provided by 85-3-424. The tax certified by the authority is limited to the period of existence of the authority.

(2) The money in the weather modification fund must be invested to earn interest at the rate most advantageous to the fund, consistent with law and prudent business practice."

**Section 242.** Section 85-3-423, MCA, is amended to read:

**"85-3-423. County budget waived for first appropriation -- conditions.** The provisions of 7-6-2342 apply if an emergency condition requiring prompt expenditure occurs immediately after an authority has been created by resolution of the board of county commissioners and after certification of a mill levy by the authority. In that case and only for the initial or first appropriation for the authority, the county commissioners may appropriate, from money not otherwise appropriated in the general fund, money necessary to carry out the provisions of this part. ~~However, the appropriation may not exceed an amount equal to the amount that would be raised by a 2-mill levy upon the taxable valuation of the property in the~~ county."

1

2       **Section 243.** Section 90-5-112, MCA, is amended to read:

3       **"90-5-112. Economic development levy.** (1) Subject to 15-10-420, the governing body of a city,  
4 county, or town is authorized to levy ~~up to 1 mill~~ a tax upon the taxable value of all ~~the taxable~~ property  
5 in the city, county, or town ~~subject to taxation~~ for the purpose of economic development. The governing  
6 body may:

7           (a) submit the question of the mill levy to the qualified voters ~~voting in a city, county, or town~~  
8 ~~election~~ as provided in [section 2]; or

9           (b) approve the mill levy by a vote of the governing body.

10          (2) Funds derived from this levy may be used for purchasing land for industrial parks, constructing  
11 buildings to house manufacturing and processing operations, conducting preliminary feasibility studies,  
12 promoting economic development opportunities in a particular area, and other activities generally  
13 associated with economic development. These funds may not be used to directly assist an industry's  
14 operations by loan or grant or to pay the salary or salary supplements of government employees.

15          (3) The governing body of the county, city, or town may use the funds derived from this levy to  
16 contract with local development companies and other associations or organizations capable of  
17 implementing the economic development function.

18          ~~(4) A tax authorized by a vote of the electorate, as provided in subsection (1)(a), may be levied~~  
19 ~~for a period not to exceed 6 years."~~

20

21       ~~NEW SECTION. Section 245. School district block grant GRANTS.~~ (1) (a) The office of public  
22 instruction shall provide a block grant to each school district based on the revenue received by each district  
23 in fiscal year 2001 from vehicle taxes and fees, corporate license taxes paid by financial institutions,  
24 aeronautics fees, state land payments in lieu of taxes, department of fish, wildlife, and parks payments  
25 in lieu of taxes, and property tax reimbursements.

26       ~~(b) BLOCK GRANTS MUST BE CALCULATED USING THE ELECTRONIC REPORTING SYSTEM THAT IS USED BY THE~~  
27 ~~OFFICE OF PUBLIC INSTRUCTION AND SCHOOL DISTRICTS. THE ELECTRONIC REPORTING SYSTEM MUST BE USED TO~~  
28 ~~ALLOCATE A PORTION OF THE BLOCK GRANT AMOUNT INTO EACH DISTRICT'S FISCAL YEAR 2002 BUDGET AS AN~~  
29 ~~ANTICIPATED REVENUE SOURCE BY FUND. THE SAME BLOCK GRANT AMOUNT MUST BE ANTICIPATED BY AND DISTRIBUTED~~  
30 ~~TO SCHOOLS IN FISCAL YEAR 2003 AND IN SUBSEQUENT FISCAL YEARS.~~



~~————(b)(c) With the exception of vehicle taxes and fees, each school district THE OFFICE OF PUBLIC INSTRUCTION shall use the amount actually received from the sources listed in subsection (1)(a) in fiscal year 2001 in its estimate CALCULATION of the block grant for fiscal year 2002 budgeting purposes. For vehicle taxes and fees, a school district THE OFFICE OF PUBLIC INSTRUCTION shall use 93.4% of the amount actually received in fiscal year 2001 in estimating CALCULATING the block grant for fiscal year 2002.~~

~~————(2) Block grants must be calculated using the electronic reporting system that is used by the office of public instruction and school districts. The electronic reporting system must be used to allocate a portion of the block grant amount into each district's fiscal year 2002 budget as an anticipated revenue source. The same block grant amount must be anticipated by and distributed to schools in fiscal year 2003.~~

~~————(2) IF THE BIENNIAL APPROPRIATION PROVIDED IN [SECTION 248(1) 249(1)] IS INSUFFICIENT TO FUND THE SCHOOL DISTRICT BLOCK GRANTS IN FISCAL YEAR 2003 AT THE FISCAL YEAR 2002 LEVEL, THE OFFICE OF PUBLIC INSTRUCTION SHALL PRORATE THE BLOCK GRANTS TO MEET THE REMAINING APPROPRIATION. SCHOOL DISTRICTS SHALL ANTICIPATE THE PRORATED BLOCK GRANT AMOUNTS PROVIDED BY THE OFFICE OF PUBLIC INSTRUCTION IN THEIR BUDGETS FOR FISCAL YEAR 2003.~~

~~————(3) Each year, one-half of each district's block grant must be distributed in equal payments in November and 70% OF EACH DISTRICT'S BLOCK GRANT MUST BE DISTRIBUTED IN NOVEMBER AND 30% OF EACH DISTRICT'S BLOCK GRANT MUST BE DISTRIBUTED in May at the same time that guaranteed tax base aid is distributed. If the appropriation for block grants is greater than or less than the amount received by schools from the sources enumerated in subsection (1), the office of public instruction shall prorate the amount appropriated based upon the fiscal year 2001 revenue.~~

~~————(4) THE AVERAGE AMOUNT OF THE BLOCK GRANTS IN FISCAL YEARS 2002 AND 2003 MUST BE INCREASED BY 1.5% IN FISCAL YEAR 2004 AND 1.5% IN FISCAL YEAR 2005 AND MUST BE INCREASED IN EACH SUCCEEDING FISCAL YEAR BY THE AMOUNT OF THE GROWTH FACTOR IN THE ENTITLEMENT SHARE AS PROVIDED IN [SECTION 1].~~

**NEW SECTION. SECTION 244. SCHOOL DISTRICT BLOCK GRANTS. (1) (A) THE OFFICE OF PUBLIC INSTRUCTION SHALL PROVIDE A BLOCK GRANT TO EACH SCHOOL DISTRICT BASED ON THE REVENUE RECEIVED BY EACH DISTRICT IN FISCAL YEAR 2001 FROM VEHICLE TAXES AND FEES, CORPORATE LICENSE TAXES PAID BY FINANCIAL INSTITUTIONS, AERONAUTICS FEES, STATE LAND PAYMENTS IN LIEU OF TAXES, AND PROPERTY TAX REIMBURSEMENTS PURSUANT TO SECTIONS 167(1) THROUGH (5) AND 169(6), CHAPTER 584, LAWS OF 1999.**

(B) BLOCK GRANTS MUST BE CALCULATED USING THE ELECTRONIC REPORTING SYSTEM THAT IS USED BY THE OFFICE OF PUBLIC INSTRUCTION AND SCHOOL DISTRICTS. THE ELECTRONIC REPORTING SYSTEM MUST BE USED TO ALLOCATE A PORTION OF THE BLOCK GRANT AMOUNT INTO EACH DISTRICT'S FISCAL YEAR 2002 BUDGET AS AN ANTICIPATED REVENUE SOURCE BY FUND.

(C) WITH THE EXCEPTION OF VEHICLE TAXES AND FEES, THE OFFICE OF PUBLIC INSTRUCTION SHALL USE THE AMOUNT ACTUALLY RECEIVED FROM THE SOURCES LISTED IN SUBSECTION (1)(A) IN FISCAL YEAR 2001 IN ITS CALCULATION OF THE BLOCK GRANT FOR FISCAL YEAR 2002 BUDGETING PURPOSES. FOR VEHICLE TAXES AND FEES, THE OFFICE OF PUBLIC INSTRUCTION SHALL USE 93.4% OF THE AMOUNT ACTUALLY RECEIVED IN FISCAL YEAR 2001 IN CALCULATING THE BLOCK GRANT FOR FISCAL YEAR 2002.

(2) IF THE BIENNIAL APPROPRIATION PROVIDED IN [SECTION 248(1)] IS INSUFFICIENT TO FUND THE SCHOOL DISTRICT BLOCK GRANTS IN FISCAL YEAR 2003 AT THE FISCAL YEAR 2002 LEVEL, THE OFFICE OF PUBLIC INSTRUCTION SHALL PRORATE THE BLOCK GRANTS TO MEET THE REMAINING APPROPRIATION. SCHOOL DISTRICTS SHALL ANTICIPATE THE PRORATED BLOCK GRANT AMOUNTS PROVIDED BY THE OFFICE OF PUBLIC INSTRUCTION IN THEIR BUDGETS FOR FISCAL YEAR 2003.

(3) EACH YEAR, 70% OF EACH DISTRICT'S BLOCK GRANT MUST BE DISTRIBUTED IN NOVEMBER AND 30% OF EACH DISTRICT'S BLOCK GRANT MUST BE DISTRIBUTED IN MAY AT THE SAME TIME THAT GUARANTEED TAX BASE AID IS DISTRIBUTED. IF THE APPROPRIATION FOR BLOCK GRANTS IS GREATER THAN OR LESS THAN THE AMOUNT RECEIVED BY SCHOOLS FROM THE SOURCES ENUMERATED IN SUBSECTION (1), THE OFFICE OF PUBLIC INSTRUCTION SHALL PRORATE THE AMOUNT APPROPRIATED BASED UPON THE FISCAL YEAR 2001 REVENUE.

(4) THE AVERAGE AMOUNT OF THE BLOCK GRANTS IN FISCAL YEARS 2002 AND 2003 MUST BE INCREASED BY 0.76% IN EACH SUCCEEDING FISCAL YEAR.

~~NEW SECTION. Section 246. Countywide school retirement reimbursement BLOCK GRANTS. (1) The office of public instruction shall distribute ONE-HALF OF the amount appropriated for countywide school retirement IN NOVEMBER AND THE REMAINDER IN MAY. THE TOTAL AMOUNT FOR EACH COUNTY IS as follows:~~

	FY2002	FY2002	FY2003	FY2003
	Elementary	High School	Elementary	High School
County	Payment	Payment	Payment	Payment
Beaverhead	\$79,524	\$46,590	\$56,456	\$33,075
Big Horn	84,300	49,723	53,376	31,483

1	Blaine	77,127	12,855	54,159	9,027
2	Broadwater	-	90,704	-	74,728
3	Carbon	41,780	78,951	33,604	63,502
4	Carter	8,020	4,485	3,578	2,001
5	Cascade	318,515	175,975	246,569	136,226
6	Chouteau	68,607	37,345	44,641	24,300
7	Custer	70,955	33,201	56,134	26,266
8	Daniels	-	32,011	-	9,330
9	Dawson	76,411	34,578	44,929	20,331
10	Deer Lodge	33,984	14,501	24,815	10,589
11	Fallon	-	-	-	-
12	Fergus	121,916	80,721	87,161	57,710
13	Flathead	515,681	273,508	412,097	218,569
14	Gallatin	365,227	173,294	296,634	140,748
15	Garfield	12,307	10,145	7,039	5,802
16	Glacier	87,523	37,250	62,747	26,706
17	Golden Valley	-	16,468	-	11,217
18	Granite	13,496	46,054	11,175	38,136
19	Hill	143,137	82,694	110,426	63,796
20	Jefferson	116,149	59,253	70,406	35,917
21	Judith Basin	4,986	17,320	2,469	8,576
22	Lake	181,672	146,513	165,791	133,705
23	Lewis and Clark	323,182	198,847	284,663	175,148
24	Liberty	15,172	12,644	5,346	4,455
25	Lincoln	71,717	97,096	46,820	63,390
26	Madison	-	95,578	-	76,391
27	McCone	18,007	12,275	4,870	3,320
28	Meagher	10,235	8,004	6,121	4,787
29	Mineral	-	28,464	-	14,680
30	Missoula	441,305	328,632	249,273	185,629

1	Musselshell	32,048	22,542	26,019	18,301
2	Park	148,347	78,599	130,012	68,885
3	Petroleum	-	16,321	-	12,718
4	Phillips	10,076	91,229	6,180	55,955
5	Pondera	75,863	57,328	55,669	42,067
6	Powder River	14,033	11,196	-	-
7	Powell	70,588	22,956	60,565	19,697
8	Prairie	-	25,278	-	15,297
9	Ravalli	79,401	157,967	68,030	135,346
10	Richland	69,774	25,269	12,991	4,705
11	Roosevelt	90,250	76,588	70,458	59,792
12	Rosebud	358,272	285,304	341,690	272,100
13	Sanders	199,496	124,959	191,505	119,954
14	Sheridan	-	47,398	-	3,201
15	Silver Bow	219,868	124,571	165,809	93,942
16	Stillwater	90,087	74,764	80,349	66,682
17	Sweet Grass	36,061	35,409	29,791	29,252
18	Teton	55,964	40,255	35,863	25,797
19	Toole	42,770	50,743	21,884	25,963
20	Treasure	-	17,022	-	10,408
21	Valley	16,878	96,562	10,952	62,661
22	Wheatland	19,019	10,989	13,011	7,518
23	Wibaux	-	8,363	-	-
24	Yellowstone	1,051,705	600,974	748,974	427,985
25	Total	\$5,981,434	\$4,438,265	\$4,511,054	\$3,287,761
26	BEAVERHEAD	\$80,727	\$47,294	\$57,659	\$33,780
27	BIG HORN	77,447	45,680	46,523	27,441
28	BLAINE	76,621	12,770	53,653	8,942
29	BROADWATER	0	91,649	0	75,672
30	CARBON	42,553	80,412	34,377	64,963

1	CARTER	8,116	4,539	3,673	2,054
2	CASCADE	323,422	178,686	251,476	138,937
3	CHOUTEAU	69,171	37,653	45,206	24,607
4	CUSTER	70,943	33,196	56,123	26,261
5	DANIELS	0	32,353	0	9,672
6	DAWSON	77,150	34,912	45,667	20,665
7	DEER LODGE	34,633	14,778	25,465	10,866
8	FALLON	0	0	0	0
9	FERGUS	123,340	81,665	88,585	58,653
10	FLATHEAD	522,254	276,994	431,450	228,833
11	GALLATIN	370,480	175,786	301,887	143,240
12	GARFIELD	12,412	10,232	7,144	5,889
13	GLACIER	78,361	33,351	53,586	22,806
14	GOLDEN VALLEY	0	16,746	0	11,496
15	GRANITE	13,646	46,566	11,325	38,648
16	HILL	141,335	81,653	108,625	62,755
17	JEFFERSON	117,517	59,951	71,774	36,615
18	JUDITH BASIN	5,040	17,507	2,523	8,763
19	LAKE	172,810	139,366	156,930	126,559
20	LEWIS AND CLARK	327,597	201,564	289,078	177,864
21	LIBERTY	15,338	12,782	5,511	4,593
22	LINCOLN	72,625	98,326	47,729	64,619
23	MADISON	0	97,554	0	78,367
24	MCGONE	18,252	12,442	5,115	3,487
25	MEAGHER	10,399	8,132	6,284	4,914
26	MINERAL	0	28,854	0	15,069
27	MISSOULA	445,729	331,926	253,697	188,923
28	MUSSELSHELL	32,355	22,758	26,326	18,517
29	PARK	150,193	79,577	131,858	69,863
30	PETROLEUM	0	16,598	0	12,995

1	PHILLIPS	10,043	90,929	6,147	55,655
2	PONDERA	74,719	56,463	54,524	41,203
3	POWDER RIVER	14,224	11,348	0	0
4	POWELL	71,372	23,211	61,349	19,952
5	PRAIRIE	0	25,354	0	15,372
6	RAVALLI	80,870	160,889	69,499	138,268
7	RICHLAND	70,963	25,700	14,180	5,135
8	ROOSEVELT	83,692	71,023	63,900	54,227
9	ROSEBUD	354,727	282,481	338,145	269,277
10	SANDERS	199,229	124,792	191,238	119,787
11	SHERIDAN	0	47,488	0	3,290
12	SILVER BOW	223,241	126,482	169,182	95,854
13	STILLWATER	91,202	75,689	81,464	67,607
14	SWEET GRASS	36,400	35,741	30,129	29,584
15	TETON	56,345	40,530	36,245	26,072
16	TOOLE	42,930	50,933	22,043	26,152
17	TREASURE	0	17,010	0	10,395
18	VALLEY	16,798	96,104	10,872	62,203
19	WHEATLAND	19,177	11,081	13,169	7,609
20	WIDBAUX	0	8,474	0	0
21	YELLOWSTONE	1,063,326	607,615	760,595	434,626
22	TOTALS	\$5,999,723	\$4,453,585	\$4,541,931	\$3,309,596

23 ~~—— (2) THE AVERAGE AMOUNT OF THE BLOCK GRANTS IN FISCAL YEARS 2002 AND 2003 MUST BE INCREASED BY~~  
24 ~~1.5% IN FISCAL YEAR 2004 AND 1.5% IN FISCAL YEAR 2005 AND MUST BE INCREASED IN EACH SUCCEEDING FISCAL~~  
25 ~~YEAR BY THE AMOUNT OF THE GROWTH FACTOR IN THE ENTITLEMENT SHARE AS PROVIDED IN [SECTION 1]."~~

26

27 **NEW SECTION. SECTION 245. COUNTYWIDE SCHOOL RETIREMENT BLOCK GRANTS.** (1) THE OFFICE OF PUBLIC  
28 INSTRUCTION SHALL DISTRIBUTE ONE-HALF OF THE AMOUNT APPROPRIATED FOR COUNTYWIDE SCHOOL RETIREMENT IN  
29 NOVEMBER AND THE REMAINDER IN MAY. THE TOTAL AMOUNT FOR EACH COUNTY IS AS FOLLOWS:

30		FY 2002	FY2002	FY2003	FY2003
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1		ELEMENTARY	HIGH SCHOOL	ELEMENTARY	HIGH SCHOOL
2		PAYMENT	PAYMENT	PAYMENT	PAYMENT
3	BEAVERHEAD	\$86,692	\$50,789	\$87,351	\$51,175
4	BIG HORN	62,668	36,963	63,144	37,244
5	BLAINE	61,160	10,193	61,624	10,271
6	BROADWATER	0	92,686	0	93,390
7	CARBON	43,451	82,110	43,782	82,734
8	CARTER	9,751	5,453	9,825	5,495
9	CASCADE	349,056	192,848	351,709	194,314
10	CHOUTEAU	75,384	41,034	75,957	41,346
11	CUSTER	78,925	36,930	79,525	37,211
12	DANIELS	0	37,994	0	38,283
13	DAWSON	85,568	38,722	86,219	39,016
14	DEER LODGE	39,980	17,059	40,284	17,189
15	FALLON	0	0	0	0
16	FERGUS	119,028	78,809	119,932	79,408
17	FLATHEAD	558,861	296,410	563,108	298,662
18	GALLATIN	383,035	181,743	385,946	183,125
19	GARFIELD	12,337	10,170	12,431	10,247
20	GLACIER	79,924	34,016	80,532	34,275
21	GOLDEN VALLEY	0	16,716	0	16,843
22	GRANITE	14,074	48,026	14,180	48,391
23	HILL	142,867	82,538	143,953	83,165
24	JEFFERSON	116,679	59,523	117,565	59,976
25	JUDITH BASIN	6,149	21,359	6,196	21,521
26	LAKE	173,584	139,990	174,903	141,054
27	LEWIS & CLARK	344,112	211,726	346,728	213,335
28	LIBERTY	20,144	16,786	20,297	16,914
29	LINCOLN	73,001	98,835	73,556	99,586
30	MADISON	0	103,163	0	103,947

1	MCCONE	23,214	15,824	23,390	15,945
2	MEAGHER	13,654	10,678	13,758	10,759
3	MINERAL	0	32,206	0	32,451
4	MISSOULA	487,129	362,756	490,832	365,513
5	MUSSELSHELL	30,675	21,577	30,908	21,741
6	PARK	154,192	81,696	155,364	82,317
7	PETROLEUM	0	16,897	0	17,026
8	PHILLIPS	10,502	95,084	10,582	95,806
9	PONDERA	79,805	60,307	80,411	60,765
10	POWDER RIVER	18,815	15,011	18,958	15,125
11	POWELL	69,695	22,666	70,225	22,838
12	PRAIRIE	0	26,791	0	26,995
13	RAVALLI	85,333	169,769	85,981	171,059
14	RICHLAND	83,671	30,302	84,307	30,533
15	ROOSEVELT	71,090	60,329	71,630	60,787
16	ROSEBUD	359,662	286,411	362,395	288,588
17	SANDERS	203,863	127,694	205,413	128,665
18	SHERIDAN	0	46,231	0	46,583
19	SILVER BOW	249,821	141,541	251,719	142,617
20	STILLWATER	91,487	75,926	92,182	76,503
21	SWEET GRASS	36,996	36,327	37,277	36,603
22	TETON	57,760	41,547	58,199	41,863
23	TOOLE	43,323	51,399	43,652	51,790
24	TREASURE	0	18,947	0	19,091
25	VALLEY	15,824	90,532	15,944	91,220
26	WHEATLAND	20,946	12,103	21,105	12,195
27	WIBAUX	0	14,585	0	14,696
28	YELLOWSTONE	1,125,488	643,136	1,134,042	648,024
29	TOTAL	6,269,374	4,650,865	6,317,022	4,686,212

30 (2) THE AVERAGE AMOUNT OF THE BLOCK GRANTS IN FISCAL YEARS 2002 AND 2003 MUST BE INCREASED BY



1 0.76% IN EACH SUCCEEDING FISCAL YEAR.

2

3 ~~NEW SECTION. Section 247. Countywide school transportation reimbursement BLOCK GRANTS.~~

4 ~~(1) The office of public instruction shall distribute ONE HALF OF the amount appropriated for countywide~~  
 5 ~~school transportation reimbursement IN NOVEMBER AND THE REMAINDER IN MAY. THE TOTAL AMOUNT FOR EACH~~  
 6 ~~COUNTY IS as follows:~~

	FY2002	FY2003		FY2002	FY2003
County	Payment	Payment	County	Payment	Payment
Beaverhead	\$35,598	\$35,598	McCone	\$19,957	\$19,957
Big Horn	64,544	64,544	Meagher	6,187	6,187
Blaine	14,875	14,875	Mineral	9,337	9,337
Broadwater	17,390	17,390	Missoula	117,557	117,557
Carbon	28,800	28,800	Musselshell	17,890	17,890
Carter	9,984	9,984	Park	34,811	34,811
Cascade	94,250	94,250	Petroleum	10,855	10,855
Chouteau	38,675	38,675	Phillips	40,847	40,847
Custer	9,925	9,925	Pondera	29,051	29,051
Daniels	26,498	26,498	Powder River	27,324	25,097
Dawson	28,737	28,737	Powell	19,178	19,178
Deer Lodge	15,750	15,750	Prairie	11,874	11,874
Fallon	34,639	19,445	Ravalli	67,779	67,779
Fergus	71,072	71,072	Richland	61,206	61,206
Flathead	100,202	100,202	Roosevelt	36,279	36,279
Gallatin	93,938	93,938	Rosebud	101,425	101,425
Garfield	21,304	21,304	Sanders	74,991	74,991
Glacier	48,767	48,767	Sheridan	39,160	39,160
Golden Valley	4,901	4,901	Silver Bow	24,227	24,227
Granite	8,987	8,987	Stillwater	30,539	30,539
Hill	59,082	59,082	Sweet Grass	17,109	17,109
Jefferson	49,438	49,438	Teton	36,197	36,197

1	Judith Basin	22,102	22,102	Toole	23,561	23,561
2	Lake	79,943	79,943	Treasure	6,919	6,919
3	Lewis and Clark	63,614	63,614	Valley	35,692	35,692
4	Liberty	18,526	18,526	Wheatland	11,107	11,107
5	Lincoln	65,899	65,899	Wibaux	9,925	2,955
6	Madison	26,223	26,223	Yellowstone	190,502	190,502
7	Fiscal Year	Totals				
8	2002	\$2,265,148				
9	2003	\$2,240,756				
10	BEAVERHEAD	35,940	35,940			
11	BIG HORN	60,303	60,303			
12	BLAINE	14,601	14,601			
13	BROADWATER	17,464	17,464			
14	CARBON	29,164	29,164			
15	CARTER	10,067	10,067			
16	CASCADE	95,360	95,360			
17	CHOUTEAU	38,902	38,902			
18	CUSTER	9,920	9,920			
19	DANIELS	26,650	26,650			
20	DAWSON	28,907	28,907			
21	DEER LODGE	15,975	15,975			
22	FALLON	34,849	19,656			
23	FERGUS	71,699	71,699			
24	FLATHEAD	101,290	101,290			
25	GALLATIN	95,017	95,017			
26	GARFIELD	21,461	21,461			
27	GLACIER	44,466	44,466			
28	GOLDEN VALLEY	4,958	4,958			
29	GRANITE	9,094	9,094			
30	HILL	58,525	58,525			

1	<u>JEFFERSON</u>	<u>49,927</u>	<u>49,927</u>
2	<u>JUDITH BASIN</u>	<u>22,199</u>	<u>22,199</u>
3	<u>LAKE</u>	<u>76,390</u>	<u>76,390</u>
4	<u>LEWIS AND CLARK</u>	<u>64,171</u>	<u>64,171</u>
5	<u>LIBERTY</u>	<u>18,706</u>	<u>18,706</u>
6	<u>LINCOLN</u>	<u>66,522</u>	<u>66,522</u>
7	<u>MADISON</u>	<u>26,594</u>	<u>26,594</u>
8	<u>MCCONE</u>	<u>20,107</u>	<u>20,107</u>
9	<u>MEAGHER</u>	<u>6,218</u>	<u>6,218</u>
10	<u>MINERAL</u>	<u>9,429</u>	<u>9,429</u>
11	<u>MISSOULA</u>	<u>118,387</u>	<u>118,387</u>
12	<u>MUSSELSHELL</u>	<u>18,052</u>	<u>18,052</u>
13	<u>PARK</u>	<u>35,214</u>	<u>35,214</u>
14	<u>PETROLEUM</u>	<u>10,992</u>	<u>10,992</u>
15	<u>PHILLIPS</u>	<u>40,748</u>	<u>40,748</u>
16	<u>PONDERA</u>	<u>28,698</u>	<u>28,698</u>
17	<u>POWDER RIVER</u>	<u>27,508</u>	<u>25,623</u>
18	<u>POWELL</u>	<u>19,383</u>	<u>19,383</u>
19	<u>PRAIRIE</u>	<u>11,896</u>	<u>11,896</u>
20	<u>RAVALLI</u>	<u>68,785</u>	<u>68,785</u>
21	<u>RICHLAND</u>	<u>61,592</u>	<u>61,592</u>
22	<u>ROOSEVELT</u>	<u>34,372</u>	<u>34,372</u>
23	<u>ROSEBUD</u>	<u>100,172</u>	<u>100,172</u>
24	<u>SANDERS</u>	<u>74,890</u>	<u>74,890</u>
25	<u>SHERIDAN</u>	<u>39,176</u>	<u>39,176</u>
26	<u>SILVER BOW</u>	<u>24,545</u>	<u>24,545</u>
27	<u>STILLWATER</u>	<u>30,949</u>	<u>30,949</u>
28	<u>SWEET GRASS</u>	<u>17,244</u>	<u>17,244</u>
29	<u>TETON</u>	<u>36,387</u>	<u>36,387</u>
30	<u>TOOLE</u>	<u>23,620</u>	<u>23,620</u>

1	<u>TREASURE</u>	<u>6,915</u>	<u>6,915</u>
2	<u>VALLEY</u>	<u>35,583</u>	<u>35,583</u>
3	<u>WHEATLAND</u>	<u>11,186</u>	<u>11,186</u>
4	<u>WIBAUX</u>	<u>9,969</u>	<u>3,110</u>
5	<u>YELLOWSTONE</u>	<u>192,011</u>	<u>192,011</u>
6	<u>TOTALS</u>	<u>\$2,263,149</u>	<u>\$2,239,212</u>

7 ~~(2) THE AVERAGE AMOUNT OF THE BLOCK GRANTS IN FISCAL YEARS 2002 AND 2003 MUST BE INCREASED BY~~  
8 ~~1.5% IN FISCAL YEAR 2004 AND 1.5% IN FISCAL YEAR 2005 AND MUST BE INCREASED IN EACH SUCCEEDING FISCAL~~  
9 ~~YEAR BY THE AMOUNT OF THE GROWTH FACTOR IN THE ENTITLEMENT SHARE AS PROVIDED IN [SECTION 1]."~~

10

11 NEW SECTION. SECTION 246. COUNTYWIDE SCHOOL TRANSPORTATION BLOCK GRANTS. (1) THE OFFICE OF  
12 PUBLIC INSTRUCTION SHALL DISTRIBUTE ONE-HALF OF THE AMOUNT APPROPRIATED FOR COUNTYWIDE SCHOOL  
13 TRANSPORTATION IN NOVEMBER AND THE REMAINDER IN MAY. THE TOTAL AMOUNT FOR EACH COUNTY IS AS FOLLOWS:

14		<u>FY 2002</u>	<u>FY2003</u>
15		<u>PAYMENT</u>	<u>PAYMENT</u>
16	<u>BEAVERHEAD</u>	<u>\$29,924</u>	<u>\$30,151</u>
17	<u>BIG HORN</u>	<u>43,635</u>	<u>43,966</u>
18	<u>BLAINE</u>	<u>3,727</u>	<u>3,756</u>
19	<u>BROADWATER</u>	<u>14,935</u>	<u>15,048</u>
20	<u>CARBON</u>	<u>23,493</u>	<u>23,671</u>
21	<u>CARTER</u>	<u>8,675</u>	<u>8,741</u>
22	<u>CASCADE</u>	<u>84,382</u>	<u>85,024</u>
23	<u>CHOUTEAU</u>	<u>33,063</u>	<u>33,314</u>
24	<u>CUSTER</u>	<u>7,069</u>	<u>7,123</u>
25	<u>DANIELS</u>	<u>16,771</u>	<u>16,899</u>
26	<u>DAWSON</u>	<u>21,356</u>	<u>21,518</u>
27	<u>DEER LODGE</u>	<u>14,392</u>	<u>14,502</u>
28	<u>FALLON</u>	<u>20,447</u>	<u>20,603</u>
29	<u>FERGUS</u>	<u>58,765</u>	<u>59,211</u>
30	<u>FLATHEAD</u>	<u>89,846</u>	<u>90,529</u>

1	<u>GALLATIN</u>	<u>81,262</u>	<u>81,879</u>
2	<u>GARFIELD</u>	<u>17,284</u>	<u>17,415</u>
3	<u>GLACIER</u>	<u>37,740</u>	<u>38,027</u>
4	<u>GOLDEN VALLEY</u>	<u>3,547</u>	<u>3,574</u>
5	<u>GRANITE</u>	<u>8,153</u>	<u>8,215</u>
6	<u>HILL</u>	<u>46,409</u>	<u>46,762</u>
7	<u>JEFFERSON</u>	<u>36,329</u>	<u>36,605</u>
8	<u>JUDITH BASIN</u>	<u>16,878</u>	<u>17,007</u>
9	<u>LAKE</u>	<u>69,756</u>	<u>70,286</u>
10	<u>LEWIS &amp; CLARK</u>	<u>58,287</u>	<u>58,730</u>
11	<u>LIBERTY</u>	<u>15,874</u>	<u>15,995</u>
12	<u>LINCOLN</u>	<u>50,388</u>	<u>50,771</u>
13	<u>MADISON</u>	<u>21,263</u>	<u>21,424</u>
14	<u>MCCONE</u>	<u>12,498</u>	<u>12,593</u>
15	<u>MEAGHER</u>	<u>4,237</u>	<u>4,269</u>
16	<u>MINERAL</u>	<u>7,478</u>	<u>7,534</u>
17	<u>MISSOULA</u>	<u>93,969</u>	<u>94,683</u>
18	<u>MUSSELSHELL</u>	<u>12,945</u>	<u>13,043</u>
19	<u>PARK</u>	<u>31,904</u>	<u>32,147</u>
20	<u>PETROLEUM</u>	<u>9,854</u>	<u>9,929</u>
21	<u>PHILLIPS</u>	<u>31,080</u>	<u>31,316</u>
22	<u>PONDERA</u>	<u>22,599</u>	<u>22,771</u>
23	<u>POWDER RIVER</u>	<u>21,304</u>	<u>21,465</u>
24	<u>POWELL</u>	<u>16,622</u>	<u>16,748</u>
25	<u>PRAIRIE</u>	<u>8,544</u>	<u>8,609</u>
26	<u>RAVALLI</u>	<u>60,579</u>	<u>61,040</u>
27	<u>RICHLAND</u>	<u>32,995</u>	<u>33,246</u>
28	<u>ROOSEVELT</u>	<u>25,740</u>	<u>25,935</u>
29	<u>ROSEBUD</u>	<u>97,820</u>	<u>98,564</u>
30	<u>SANDERS</u>	<u>71,581</u>	<u>72,125</u>

1	<u>SHERIDAN</u>	<u>12,946</u>	<u>13,045</u>
2	<u>SILVER BOW</u>	<u>21,872</u>	<u>22,038</u>
3	<u>STILLWATER</u>	<u>27,358</u>	<u>27,566</u>
4	<u>SWEET GRASS</u>	<u>14,996</u>	<u>15,110</u>
5	<u>TETON</u>	<u>28,202</u>	<u>28,416</u>
6	<u>TOOLE</u>	<u>17,208</u>	<u>17,339</u>
7	<u>TREASURE</u>	<u>5,446</u>	<u>5,487</u>
8	<u>VALLEY</u>	<u>26,677</u>	<u>26,880</u>
9	<u>WHEATLAND</u>	<u>9,142</u>	<u>9,212</u>
10	<u>WIBAU</u>	<u>6,198</u>	<u>6,246</u>
11	<u>YELLOWSTONE</u>	<u>149,314</u>	<u>150,448</u>
12	<u>TOTAL</u>	<u>1,814,759</u>	<u>1,828,551</u>

13 (2) THE AVERAGE AMOUNT OF THE BLOCK GRANTS IN FISCAL YEARS 2002 AND 2003 MUST BE INCREASED BY  
 14 0.76% IN EACH SUCCEEDING FISCAL YEAR.

15

16 ~~Section 246. Section 6, Chapter 511, Laws of 1993, is amended to read:~~

17 ~~"Section 6. Termination. [This act] terminates June 30, 1995 2001."~~

18

19 ~~Section 247. Section 9, Chapter 476, Laws of 1995, is amended to read:~~

20 ~~"Section 9. Section 6, Chapter 511, Laws of 1993, is amended to read:~~

21 ~~"Section 6. Termination. [This act] terminates June 30, 1995 2002 2001."~~

22

23 ~~SECTION 248. SECTION 5, CHAPTER 95, LAWS OF 2001, IS AMENDED TO READ:~~

24 ~~"Section 5. Coordination instruction. If both House Bill No. 124 and [this act] are passed and~~  
 25 ~~approved:~~

26 ~~(1) and House Bill No. 124 includes a revision of county funding of the motorboat account, then~~  
 27 ~~the allocation to the department of fish, wildlife, and parks in [section 3(4)] of House Bill No.124 is~~  
 28 ~~increased by \$337,500; (2) then [section 1 of this act] must read as follows:~~

29 ~~"23-2-533. (Temporary) Use of percentage of boat fees allocated funds for boat boating facilities~~

30 ~~--designation of fees for regional use. (1) At the time the fee in lieu of tax imposed under 23-2-516 is~~

collected, the payor shall designate the fish, wildlife, and parks administrative region in which the majority of the payor's boating activities take place. Upon receipt of the fee in the motorboat account in the state special revenue fund, the department shall earmark the fee for use in the designated region.

~~———— (2) All fees designated Funds allocated to the motorboat account by 23-2-518(2) must be used by the department to:~~

~~———— (a) improve, operate, or maintain regional boating facilities under the control of the department and, in conjunction with other funds in the motorboat account, to; and~~

~~———— (b) cover costs associated with the boating advisory council created in 23-2-536.~~

~~———— (2) The department may use the fees funds to match available federal funds to the extent possible.~~

~~Expenditure of fees funds must be made after consideration of recommendations by the boating advisory council. (Terminates June 30, 2002--sec. 9, Ch. 476, L. 1995.)"~~

~~———— (3)(2) then 23-2-534, MCA, is amended to read:~~

~~———— "23-2-534. (Temporary) **Funding of state recreational boating safety program -- certification of county programs -- administration by counties.** (1) The department may in its discretion use available state funds and federal matching funds to contract with counties to implement designated parts of the state recreational boating safety program. If a county accepts a grant, the county shall agree to implement a program that is certified by the department as fulfilling the requirements of the state recreational boating safety program.~~

~~———— (2) A county may designate any amount of boat fees in lieu of tax, unless otherwise allocated by 23-2-518(2), or other allocate funds for collection by to the department for the recreational boating safety program. This money must be used by the department for contracts with counties for the recreational boating safety program. (Terminates June 30, 2002--sec. 10, Ch. 476, L. 1995.)"~~

**SECTION 247. SECTION 5, CHAPTER 95, LAWS OF 2001, IS AMENDED TO READ:**

**"Section 5. Coordination instruction.** If both House Bill No. 124 and [this act] are passed and approved:

(1) then [section 1 of this act] must read as follows:

**"23-2-533. (Temporary) Use of percentage of boat fees allocated funds for boat boating facilities -- designation of fees for regional use. (1) At the time the fee in lieu of tax imposed under 23-2-516 is collected, the payor shall designate the fish, wildlife, and parks administrative region in which the majority**

~~of the payor's boating activities take place. Upon receipt of the fee in the motorboat account in the state special revenue fund, the department shall earmark the fee for use in the designated region.~~

~~———— (2) All fees designated Funds allocated to the motorboat account by 23-2-518(2) must be used by the department to:~~

~~\_\_\_\_\_ (a) improve, operate, or maintain regional boating facilities under the control of the department and, in conjunction with other funds in the motorboat account, to; and~~

~~\_\_\_\_\_ (b) cover costs associated with the boating advisory council created in 23-2-536.~~

~~(2) The department may use the fees funds to match available federal funds to the extent possible. Expenditure of fees funds must be made after consideration of recommendations by the boating advisory council. (Terminates June 30, 2002--sec. 9, Ch. 476, L. 1995.)"~~

~~(2) then 23-2-534, MCA, is amended to read:~~

~~"23-2-534. (Temporary) Funding of state recreational boating safety program -- certification of county programs -- administration by counties. (1) The department may in its discretion use available state funds and federal matching funds to contract with counties to implement designated parts of the state recreational boating safety program. If a county accepts a grant, the county shall agree to implement a program that is certified by the department as fulfilling the requirements of the state recreational boating safety program.~~

~~(2) A county may designate any amount of boat fees in lieu of tax, unless otherwise allocated by 23-2-518(2), or other allocate funds for collection by to the department for the recreational boating safety program. This money must be used by the department for contracts with counties for the recreational boating safety program. (Terminates June 30, 2002--sec. 10, Ch. 476, L. 1995.)"~~

~~———— NEW SECTION. Section 249. Appropriations. (1) There is appropriated from the general fund to the office of public instruction \$64,950,619 for fiscal year 2002 and \$64,950,619 for fiscal year 2003 \$130,228,584 FOR THE BIENNIUM ENDING JUNE 30, 2003, for the purpose of school district block grants as provided in [section 255 243 245].~~

~~———— (2) There is appropriated from the general fund to the office of public instruction \$10,419,699 \$10,453,308 for fiscal year 2002 and \$7,798,815 \$7,851,527 for fiscal year 2003 for the purpose of countywide school retirement reimbursements BLOCK GRANTS as provided in [section 256 244 246].~~

~~———— (3) There is appropriated from the general fund to the office of public instruction \$2,265,148~~



~~\$2,263,149 for fiscal year 2002 and \$2,240,756 \$2,239,212 for fiscal year 2003 for the purpose of  
countywide school transportation reimbursements BLOCK GRANTS as provided in [section 257 245 247].  
(4) IF SENATE BILL NO. 176 IS PASSED AND APPROVED, THEN THERE IS APPROPRIATED FROM THE GENERAL FUND  
TO THE SUPREME COURT THE AMOUNT DEDUCTED FROM THE ENTITLEMENT SHARE PAYMENT IN [SECTION 1] PLUS 3% FOR  
FISCAL YEAR 2002 AND AN ADDITIONAL 3% FOR FISCAL YEAR 2003. THE AMOUNT APPROPRIATED IS UP TO \$25  
MILLION A YEAR TO BE USED FOR THE PURPOSE OF IMPLEMENTING SENATE BILL NO. 176.~~

**NEW SECTION. SECTION 248. APPROPRIATIONS.** (1) THERE IS APPROPRIATED FROM THE GENERAL FUND TO  
THE OFFICE OF PUBLIC INSTRUCTION \$114,394,755 FOR THE BIENNIUM ENDING JUNE 30, 2003, FOR THE PURPOSE OF  
SCHOOL DISTRICT BLOCK GRANTS AS PROVIDED IN [SECTION 244].

(2) THERE IS APPROPRIATED FROM THE GENERAL FUND TO THE OFFICE OF PUBLIC INSTRUCTION \$10,920,239  
FOR FISCAL YEAR 2002 AND \$11,003,234 FOR FISCAL YEAR 2003 FOR THE PURPOSE OF COUNTYWIDE SCHOOL  
RETIREMENT BLOCK GRANTS AS PROVIDED IN [SECTION 245].

(3) THERE IS APPROPRIATED FROM THE GENERAL FUND TO THE OFFICE OF PUBLIC INSTRUCTION \$1,814,759  
FOR FISCAL YEAR 2002 AND \$1,828,551 FOR FISCAL YEAR 2003 FOR THE PURPOSE OF COUNTYWIDE SCHOOL  
TRANSPORTATION BLOCK GRANTS AS PROVIDED IN [SECTION 246].

(4) IF SENATE BILL NO. 176 IS PASSED AND APPROVED, THEN THERE IS APPROPRIATED FROM THE GENERAL FUND  
TO THE SUPREME COURT FOR FISCAL YEAR 2003 THE AMOUNT DEDUCTED FROM THE ENTITLEMENT SHARE PAYMENT IN  
[SECTION 1(2)] PLUS AN ADDITIONAL 6%. THE AMOUNT APPROPRIATED IS UP TO \$25 MILLION TO BE USED FOR THE  
PURPOSE OF IMPLEMENTING SENATE BILL NO. 176.

~~**NEW SECTION. SECTION 250. INCLUSION OF APPROPRIATIONS IN BUDGET.** THE GOVERNOR SHALL INCLUDE  
THE APPROPRIATION IN [SECTION 248(1) 249(1)] IN THE PRESENT LAW BASE BUDGET PREPARED FOR THE 58TH  
LEGISLATIVE SESSION FOR CONTINUED FUNDING OF THE SCHOOL DISTRICT BUDGET ITEMS FUNDED BY THAT APPROPRIATION.~~

**NEW SECTION. SECTION 249. INCLUSION OF APPROPRIATIONS IN BUDGET.** THE GOVERNOR SHALL INCLUDE  
THE APPROPRIATION IN [SECTION 248(1)] IN THE PRESENT LAW BASE BUDGET PREPARED FOR THE 58TH LEGISLATIVE  
SESSION FOR CONTINUED FUNDING OF THE SCHOOL DISTRICT BUDGET ITEMS FUNDED BY THAT APPROPRIATION.

~~**NEW SECTION. SECTION 251. RESERVATION OF FUNDS.** THE AMOUNT OF \$7,447,018 MUST BE RESERVED~~

~~FOR COUNTYWIDE RETIREMENT AND COUNTYWIDE TRANSPORTATION IN FISCAL YEAR 2004 AND THE AMOUNT OF \$4,812,299 MUST BE RESERVED FOR COUNTYWIDE RETIREMENT AND COUNTYWIDE TRANSPORTATION IN FISCAL YEAR 2005.~~

**NEW SECTION. SECTION 250. RESERVATION OF FUNDS.** THE AMOUNT OF \$7,447,018 MUST BE RESERVED FOR COUNTYWIDE RETIREMENT AND COUNTYWIDE TRANSPORTATION IN FISCAL YEAR 2004 AND THE AMOUNT OF \$4,812,299 MUST BE RESERVED FOR COUNTYWIDE RETIREMENT AND COUNTYWIDE TRANSPORTATION IN FISCAL YEAR 2005.

~~NEW SECTION. SECTION 252. POLICY AND PURPOSE. (1) THE PURPOSE OF [HOUSE BILL NO. 124] IS TO ESTABLISH A FINANCIAL PARTNERSHIP BETWEEN STATE AND LOCAL GOVERNMENTS.~~

~~(2) THIS PARTNERSHIP IS FOUNDED ON TRUST AND IS COMMITTED TO PROTECTING AND PROMOTING THE FINANCIAL INTERESTS OF CITIES, TOWNS, COUNTIES, LOCAL SCHOOLS, SPECIAL DISTRICTS, AND STATE GOVERNMENT.~~

~~(3) LOCAL GOVERNMENTS AGREE TO RELINQUISH DEDICATED REVENUE IN EXCHANGE FOR AN ENTITLEMENT SHARE OF THE STATE GENERAL FUND BASED ON A FORMULA THAT RESPONDS TO THE PERFORMANCE OF THE MONTANA ECONOMY.~~

~~(4) THE LEGISLATURE AGREES TO FUND THE ENTITLEMENT SHARE IN ACCORDANCE WITH THE PROVISIONS OF [SECTION 1].~~

**NEW SECTION. SECTION 251. POLICY AND PURPOSE.** (1) THE PURPOSE OF [HOUSE BILL NO. 124] IS TO ESTABLISH A FINANCIAL PARTNERSHIP BETWEEN STATE AND LOCAL GOVERNMENTS.

(2) THIS PARTNERSHIP IS FOUNDED ON TRUST AND IS COMMITTED TO PROTECTING AND PROMOTING THE FINANCIAL INTERESTS OF CITIES, TOWNS, COUNTIES, LOCAL SCHOOLS, SPECIAL DISTRICTS, AND STATE GOVERNMENT.

(3) LOCAL GOVERNMENTS AGREE TO RELINQUISH DEDICATED REVENUE IN EXCHANGE FOR AN ENTITLEMENT SHARE OF THE STATE GENERAL FUND BASED ON A FORMULA THAT RESPONDS TO THE PERFORMANCE OF THE MONTANA ECONOMY.

(4) THE LEGISLATURE AGREES TO FUND THE ENTITLEMENT SHARE IN ACCORDANCE WITH THE PROVISIONS OF [SECTION 1].

~~NEW SECTION. SECTION 253. COORDINATION WITH SCHOOL FUNDING STUDY. IF AN INTERIM STUDY OF SCHOOL FUNDING IS CONDUCTED DURING THE INTERIM COMMENCING JULY 1, 2001, THE STUDY MUST INCLUDE RECOMMENDATIONS FOR RETAINING OR REPEALING THE BLOCK GRANTS PROVIDED FOR IN [SECTIONS 245 THROUGH 247].~~

1  
2 NEW SECTION. SECTION 252. COORDINATION WITH SCHOOL FUNDING STUDY. IF AN INTERIM STUDY OF  
3 SCHOOL FUNDING IS CONDUCTED DURING THE INTERIM COMMENCING JULY 1, 2001, THE STUDY MUST INCLUDE  
4 RECOMMENDATIONS FOR RETAINING OR REPEALING THE BLOCK GRANTS PROVIDED FOR IN [SECTIONS 244 THROUGH 246].

5  
6 NEW SECTION. Section 253. Repealer. ~~(1)(1) Sections 3-5-404, 7-6-2531, 7-6-2532, 7-6-2533,~~  
7 ~~7-6-2534, 7-6-2535, 7-6-2536, 7-6-2537, 7-6-4432, 7-6-4434, 7-6-4436, 7-6-4437, 7-6-4439,~~  
8 ~~7-6-4452, 7-16-2432, 7-34-2134, 7-34-2135, 7-34-2136, 15-1-111, 15-1-112, AND 15-7-122,~~  
9 ~~15-31-701, 15-31-702, 17-3-214, 20-25-1007, 52-1-110, 53-2-302, 53-2-306, 53-2-322, 53-2-610,~~  
10 ~~53-2-801, 53-2-802, 53-2-803, 53-2-811, 53-2-812, 53-2-813, 53-4-246, 53-4-247, 61-3-508,~~  
11 ~~61-3-510, 61-3-511, 61-3-512, 76-1-405, 76-1-407, 77-1-501, 77-1-502, 77-1-503, 77-1-504,~~  
12 ~~77-1-505, 77-1-506, 77-1-507, 80-2-223, AND 80-7-810, 87-1-603, and 87-1-604, 17-3-214,~~  
13 ~~20-25-1007, 52-1-110, 53-2-302, 53-2-306, 53-2-322, 53-2-610, 53-2-801, 53-2-802, 53-2-803,~~  
14 ~~53-2-811, 53-2-812, 53-2-813, 53-4-246, 53-4-247, 61-3-508, 61-3-510, 61-3-511, 61-3-512,~~  
15 ~~76-1-405, 76-1-407, 77-1-505, 77-1-506, 77-1-507, 80-2-223, AND 80-7-810, MCA, AND SECTIONS 66(2)~~  
16 ~~AND 68(2), CHAPTER 422, LAWS OF 1997,~~ are repealed.

17 ~~— (2) SECTIONS 15-31-701 AND 15-31-702 ARE REPEALED.~~

18 (2) SECTIONS 15-31-701 AND 15-31-702, MCA, ARE REPEALED.

19  
20 NEW SECTION. Section 254. Codification instruction. (1) ~~[Sections 1, and 3, 5, AND 252]~~ are  
21 ~~[SECTION 1]~~ IS [SECTIONS 1, 3, AND 251] ARE intended to be codified as an integral part of Title 15, chapter  
22 1, part 1, and the provisions of Title 15, chapter 1, part 1, apply to ~~[sections 1, and 3, 5, AND 252]~~  
23 ~~[SECTION 1]~~ [SECTIONS 1, 3, AND 251].

24 (2) [Section 2] is intended to be codified as an integral part of Title 15, chapter 1, part 4, and the  
25 provisions of Title 15, chapter 1, part 4, apply to [section 2].

26  
27 NEW SECTION. SECTION 255. COORDINATION INSTRUCTIONS. (1) IF HOUSE BILL NO. 179 AND [THIS ACT]  
28 ARE BOTH PASSED AND APPROVED:

29 (A) [SECTION 1 OF HOUSE BILL NO. 179] AND [SECTION 2 OF THIS ACT] ARE INTENDED TO BE CODIFIED AS THE  
30 SAME SECTION; AND

(B) [SECTION 9 OF HOUSE BILL NO. 179] AMENDING 7-6-2541 IS VOID.

(2) IF SENATE BILL NO. 176 IS NOT NOT PASSED AND APPROVED:

(A) [SECTION 1(1)(D) OF THIS ACT], SENATE BILL NO. 176 (A) [SECTION 1(1)(D) OF THIS ACT] IS VOID;

(B) THE PHRASE "THE FISCAL YEAR 2001 INCREASED COSTS FOR THE STATE ASSUMPTION OF DISTRICT COURT EXPENSES PROVIDED FOR IN 3-5-901 AND" IN [SECTION 1(2) OF THIS ACT] IS VOID; AND

(C) THE AMENDMENTS TO 3-2-714, 3-5-901, 25-1-201, 40-4-215, 40-4-226, 42-2-105, AND 52-6-105 IN [THIS ACT] ARE VOID;

(B) THE PHRASE "THE FISCAL YEAR 2001 INCREASED COSTS FOR THE STATE ASSUMPTION OF DISTRICT COURT EXPENSES PROVIDED FOR IN 3-5-901 AND" IN [SECTION 1(2) OF THIS ACT] IS VOID; AND

(C) THE AMENDMENTS TO 3-2-714, 3-5-901, 25-1-201, 40-4-215, 40-4-226, 42-2-105, AND 52-6-105 IN [THIS ACT] ARE VOID.

(3) IF SENATE BILL NO. 176 AND [THIS ACT] ARE BOTH PASSED AND APPROVED, THEN THE AMENDMENTS TO 3-2-714, 3-5-901, 25-1-201, 40-4-215, AND 40-4-226, IN [THIS ACT] ARE VOID AND THE AMENDMENTS TO 42-2-105 AND 61-3-509 IN SENATE BILL NO. 176 ARE VOID.

(4) IF SENATE BILL NO. 73 AND [THIS ACT] ARE BOTH PASSED AND APPROVED, THEN THE AMENDMENTS TO 23-2-518, 23-2-618, 23-2-803, 61-3-509, AND 67-3-205 IN SENATE BILL NO. 73 ARE VOID.

(5) IF SENATE BILL NO. 144 AND [THIS ACT] ARE BOTH PASSED AND APPROVED, THEN THE AMENDMENT TO 72-16-912 IN SENATE BILL NO. 144 IS VOID.

(6) IF SENATE BILL NO. 175 AND [THIS ACT] ARE BOTH PASSED AND APPROVED THEN THE AMENDMENTS TO 23-2-616, 61-3-321, AND 61-3-509 IN SENATE BILL NO. 175 ARE VOID;

(7) IF SENATE BILL NO. 317 AND [THIS ACT] ARE PASSED AND APPROVED, THEN SECTION 16-1-406 MUST READ AS FOLLOWS:

**SECTION 106.** SECTION 16-1-406, MCA, IS AMENDED TO READ:

"**16-1-406. Taxes on beer.** (1) A tax of \$4.30 per is imposed on each barrel of 31 gallons is imposed on each barrel of beer sold in Montana by a wholesaler. A barrel of beer equals 31 gallons. The tax is based upon the total number of barrels of beer produced by a brewer in a year. A brewer who produces less than 20,000 barrels of beer a year is taxed on the following increments of production:

(i) up to 5,000 barrels, \$1.30;

(ii) 5,001 barrels to 10,000 barrels, \$2.30; and

(iii) 10,001 barrels to 20,000 barrels, \$3.30.

~~\_\_\_\_\_ (b) The tax on beer sold for a brewer who produces over 20,000 barrels is \$4.30.~~

~~\_\_\_\_\_ (2) The tax imposed pursuant to subsection (1) is due at the end of each month from the wholesaler upon beer sold by the wholesaler during that month. The department shall compute the tax due on beer sold in containers other than barrels or in barrels of more or less capacity than 31 gallons.~~

~~\_\_\_\_\_ (2)(3) Each quarter, in accordance with the provisions of 15-1-501, of the tax collected pursuant to subsection (1), an amount equal to:~~

~~\_\_\_\_\_ (a) \$1 23.26% must be deposited in the state treasury to the credit of the department of public health and human services for the treatment, rehabilitation, and prevention of alcoholism; and~~

~~\_\_\_\_\_ (b) 50 cents the balance must be deposited in the state general fund; and~~

~~\_\_\_\_\_ (c) \$2.80 must be deposited with the state treasurer to the credit of the incorporated cities and towns beer tax account in the state special revenue fund.~~

~~\_\_\_\_\_ (3) (a) The money in the incorporated cities and towns beer tax account is statutorily appropriated, as provided in 17-7-502, to the department, which shall, monthly, distribute this amount of money to the incorporated cities and towns in the direct proportion that the population of each city and town bears to the total population of all incorporated cities and towns as shown in the latest official federal census as adjusted by the most recent population estimates published by the U.S. bureau of the census. For cities and towns incorporated after the latest official federal census, the census must be determined as of the date of incorporation as evidenced by the certificate of the incorporating officials of that city or town. If a city or town disincorporates, it may not receive any funds under this section and the amount previously distributed to the city or town must be distributed to the remaining incorporated cities and towns. All funds received by cities and towns under this section must be expended for state purposes, such as law enforcement, maintenance of the transportation system, and public health.~~

~~\_\_\_\_\_ (b) The department may adjust population estimates only on the July 1 following the date of publication of the estimates by the U.S. bureau of the census. The adjusted distribution formula must remain in effect for the entire fiscal year."~~

~~\_\_\_\_\_ (8) If SENATE BILL NO. 339 AND [THIS ACT] ARE BOTH PASSED AND APPROVED, THEN THE AMENDMENTS TO 41-3-1122, 53-2-207, AND 53-2-304 IN [THIS ACT] ARE VOID;~~

~~\_\_\_\_\_ (9) If SENATE BILL NO. 389 AND [THIS ACT] ARE BOTH PASSED AND APPROVED, THEN SECTION 80-2-232 MUST READ AS FOLLOWS:~~

~~\_\_\_\_\_ SECTION 218. SECTION 80-2-232, MCA, IS AMENDED TO READ:~~

~~1       "80-2-232. State treasurer's Department of revenue's duty -- warrants -- transfers to county and  
2       state general fund. (1) The state treasurer department of revenue shall must receive all money paid under~~

~~3       this part and shall place the money in trust for the hail insurance program to the credit of the enterprise  
4       fund. All money collected by the board must be deposited in the enterprise fund, and all losses must be  
5       paid from that fund. All other costs are administrative expenses and must be paid from the board's  
6       enterprise fund. If registered warrants are presented and there is no money to pay the warrants, the  
7       warrants must be registered and bear interest at the rate of 4% per annum a year until called for payment  
8       by the state treasurer.~~

~~9       (2) Upon warrants drawn by order of the board, the state treasurer shall pay out of the board's  
10      enterprise fund to the county treasurer of each county where state hail insurance coverage is in force 2%  
11      of the gross annual levies made and collected in that county under this part for the use of the county as  
12      the board of county commissioners may determine. The department of revenue may retain 2% of the  
13      gross annual fees imposed and collected under this part for administrative costs associated with billing and  
14      collection of hail and fire insurance premiums.~~

~~15      (3) Upon authorization from the board of hail insurance, the state treasurer shall transfer out of  
16      the board's enterprise fund to the general fund of the state of Montana 1.5% of the gross annual levies  
17      made fees imposed and collected in the state of Montana."~~

~~18      (10) (A) IF SENATE BILL NO. 448 AND [THIS ACT] ARE BOTH PASSED AND APPROVED THEN [SECTION 2 OF  
19      SENATE BILL NO. 448], AMENDING 61-3-321, IS VOID.~~

~~20      (B) IF SENATE BILL NO. 448 IS NOT PASSED AND APPROVED THEN:~~

~~21      (I) IN [SECTION 3 OF THIS ACT], THE BRACKETED SUBSECTION (3)(F) RELATING TO A FEE FOR TRANSPORTATION  
22      FOR SENIOR CITIZENS AND PERSONS WITH DISABILITIES IS VOID; AND~~

~~23      (II) IN [SECTION 164 OF THIS ACT], THE BRACKETED SUBSECTION (6) OF 61-3-321, RELATING TO A FEE FOR  
24      TRANSPORTATION FOR SENIOR CITIZENS AND PERSONS WITH DISABILITIES IS VOID;~~

~~25      (3) IF SENATE BILL NO. 176 AND [THIS ACT] ARE BOTH PASSED AND APPROVED, THEN THE AMENDMENTS TO  
26      3-2-714, 3-5-901, 25-1-201, 40-4-215, AND 40-4-226, IN [THIS ACT] ARE VOID AND THE AMENDMENTS TO  
27      42-2-105 AND 61-3-509 IN SENATE BILL NO. 176 ARE VOID.~~

~~28      (4) IF SENATE BILL NO. 73 AND [THIS ACT] ARE BOTH PASSED AND APPROVED, THEN THE AMENDMENTS TO  
29      23-2-518, 23-2-618, 23-2-803, 61-3-509, AND 67-3-205 IN SENATE BILL NO. 73 ARE VOID.~~

~~30      (5) IF SENATE BILL NO. 144 AND [THIS ACT] ARE BOTH PASSED AND APPROVED, THEN THE AMENDMENT TO~~

1 72-16-912 IN SENATE BILL NO. 144 IS VOID.

2 (6) IF SENATE BILL NO. 175 AND [THIS ACT] ARE BOTH PASSED AND APPROVED THEN THE AMENDMENTS TO  
3 23-2-616, 61-3-321, AND 61-3-509 IN SENATE BILL NO. 175 ARE VOID.

4 (7) IF SENATE BILL NO. 317 AND [THIS ACT] ARE PASSED AND APPROVED, THEN 16-1-406 MUST READ AS  
5 FOLLOWS:

6 **Section 105.** Section 16-1-406, MCA, is amended to read:

7 **"16-1-406. Taxes on beer.** (1) A tax of ~~\$4.30 per~~ is imposed on each barrel of 31 gallons is  
8 ~~imposed on each barrel~~ of beer sold in Montana by a wholesaler. A barrel of beer equals 31 gallons. The  
9 tax is based upon the total number of barrels of beer produced by a brewer in a year. A brewer who  
10 produces less than 20,000 barrels of beer a year is taxed on the following increments of production:

11 (i) up to 5,000 barrels, \$1.30;

12 (ii) 5,001 barrels to 10,000 barrels, \$2.30; and

13 (iii) 10,001 barrels to 20,000 barrels, \$3.30.

14 (b) The tax on beer sold for a brewer who produces over 20,000 barrels is \$4.30.

15 (2) The tax imposed pursuant to subsection (1) is due at the end of each month from the  
16 wholesaler upon beer sold by the wholesaler during that month. The department shall compute the tax due  
17 on beer sold in containers other than barrels or in barrels of more or less capacity than 31 gallons.

18 ~~(2)(3)~~ (3) Each quarter, in accordance with the provisions of 15-1-501, of the tax collected pursuant  
19 to subsection (1), an amount equal to:

20 (a) ~~\$1~~ 23.26% must be deposited in the state treasury to the credit of the department of public  
21 health and human services for the treatment, rehabilitation, and prevention of alcoholism; AND

22 (b) ~~50 cents~~ the balance must be deposited in the state general fund; ~~and~~

23 ~~—— (c) \$2.80 must be deposited with the state treasurer to the credit of the incorporated cities and~~  
24 ~~towns beer tax account in the state special revenue fund.~~

25 ~~(3) (a) The money in the incorporated cities and towns beer tax account is statutorily appropriated,~~  
26 ~~as provided in 17-7-502, to the department, which shall, monthly, distribute this amount of money to the~~  
27 ~~incorporated cities and towns in the direct proportion that the population of each city and town bears to~~  
28 ~~the total population of all incorporated cities and towns as shown in the latest official federal census as~~  
29 ~~adjusted by the most recent population estimates published by the U.S. bureau of the census. For cities~~  
30 ~~and towns incorporated after the latest official federal census, the census must be determined as of the~~

~~date of incorporation as evidenced by the certificate of the incorporating officials of that city or town. If a city or town disincorporates, it may not receive any funds under this section and the amount previously distributed to the city or town must be distributed to the remaining incorporated cities and towns. All funds received by cities and towns under this section must be expended for state purposes, such as law enforcement, maintenance of the transportation system, and public health.~~

~~\_\_\_\_\_ (b) The department may adjust population estimates only on the July 1 following the date of publication of the estimates by the U.S. bureau of the census. The adjusted distribution formula must remain in effect for the entire fiscal year."~~

\_\_\_\_\_ (8) IF SENATE BILL NO. 339 AND [THIS ACT] ARE BOTH PASSED AND APPROVED, THEN THE AMENDMENTS TO 41-3-1122, 53-2-207, AND 53-2-304 IN [THIS ACT] ARE VOID.

\_\_\_\_\_ (9) IF SENATE BILL NO. 389 AND [THIS ACT] ARE BOTH PASSED AND APPROVED, THEN 80-2-232 MUST READ AS FOLLOWS:

\_\_\_\_\_ **SECTION 219.** SECTION 80-2-232, MCA, IS AMENDED TO READ:

**"80-2-232. State treasurer's Department of revenue's duty -- warrants -- transfers to county and state general fund.** (1) The ~~state treasurer~~ department of revenue ~~shall~~ must receive all money paid under this part and shall place the money in trust for the hail insurance program to the credit of the enterprise fund. All money collected by the board must be deposited in the enterprise fund, and all losses must be paid from that fund. All other costs are administrative expenses and must be paid from the board's enterprise fund. If registered warrants are presented and there is no money to pay the warrants, the warrants must be registered and bear interest at the rate of 4% ~~per annum~~ a year until called for payment by the state treasurer.

(2) ~~Upon warrants drawn by order of the board, the state treasurer shall pay out of the board's enterprise fund to the county treasurer of each county where state hail insurance coverage is in force 2% of the gross annual levies made and collected in that county under this part for the use of the county as the board of county commissioners may determine. The department of revenue may retain 2% of the gross annual fees imposed and collected under this part for administrative costs associated with billing and collection of hail and fire insurance premiums.~~

(3) Upon authorization from the board of hail insurance, the state treasurer shall transfer out of the board's enterprise fund to the general fund of the state of Montana 1.5% of the gross annual ~~levies made~~ fees imposed and collected in the state of Montana."



1 (10) (A) IF SENATE BILL NO. 448 AND [THIS ACT] ARE BOTH PASSED AND APPROVED THEN [SECTION 2 OF  
2 SENATE BILL NO. 448], AMENDING 61-3-321, IS VOID.

3 (B) IF SENATE BILL NO. 448 IS NOT PASSED AND APPROVED THEN:

4 (i) IN [SECTION 3 OF THIS ACT], THE BRACKETED SUBSECTION (3)(F) RELATING TO A FEE FOR TRANSPORTATION  
5 FOR SENIOR CITIZENS AND PERSONS WITH DISABILITIES IS VOID; AND

6 (ii) IN [SECTION 163 OF THIS ACT], THE BRACKETED SUBSECTION (6) OF 61-3-321, RELATING TO A FEE FOR  
7 TRANSPORTATION FOR SENIOR CITIZENS AND PERSONS WITH DISABILITIES IS VOID.

8 ~~(11)(3)~~(11) IF SENATE BILL NO. 501 AND [THIS ACT] ARE BOTH PASSED AND APPROVED, THEN THE  
9 AMENDMENT TO 15-10-420 IN SENATE BILL NO. 501 IS VOID., MUST READ AS FOLLOWS:

10 ~~Section 95.~~ Section 15-10-420, MCA, is amended to read:

11 ~~"15-10-420. Procedure for calculating levy. (1) (a) A Subject to the provisions of this section,~~  
12 ~~a governmental entity that is authorized to impose mills may impose a mill levy sufficient to generate the~~  
13 ~~amount of property taxes actually assessed in the prior year, even if that levy is greater than the levy~~  
14 ~~established by law plus one-half of the average rate of inflation for the prior 3 years. The maximum number~~  
15 ~~of mills that a governmental entity may impose is established by calculating the number of mills required~~  
16 ~~to generate the amount of property tax actually assessed in the governmental unit in the prior year based~~  
17 ~~on the current year taxable value, less the current year's value of newly taxable property, plus one-half~~  
18 ~~of the average rate of inflation for the prior 3 years.~~

19 ~~(b) A governmental entity that does not impose the maximum number of mills authorized under~~  
20 ~~subsection (1)(a) may carry forward the authority to impose the number of mills equal to the difference~~  
21 ~~between the actual number of mills imposed and the maximum number of mills authorized to be imposed.~~  
22 ~~The mill authority carried forward may be imposed in a subsequent tax year.~~

23 ~~(c) For the purposes of subsection (1)(a), the department shall calculate one-half of the average~~  
24 ~~rate of inflation for the prior 3 years by using the consumer price index, U.S. city average, all urban~~  
25 ~~consumers, using the 1982-84 base of 100, as published by the bureau of labor statistics of the United~~  
26 ~~States department of labor.~~

27 ~~(2) A governmental entity may apply the levy calculated pursuant to subsection (1) plus any~~  
28 ~~additional levies authorized by the voters as provided in [section 2 of House Bill No. 124] to all property~~  
29 ~~in the governmental unit, including newly taxable property.~~

30 ~~(3) (a) For purposes of this section, newly taxable property includes:~~

- 1 ~~—— (a)(i) annexation of real property and improvements into a taxing unit;~~  
2 ~~—— (b)(ii) construction, expansion, or remodeling of improvements;~~  
3 ~~—— (c)(iii) transfer of property into a taxing unit;~~  
4 ~~—— (d)(iv) subdivision of real property;~~  
5 ~~—— (e) reclassification of property;~~  
6 ~~—— (f)(v) except as provided in subsection (3)(b), transfer of property from tax-exempt to taxable~~  
7 ~~status; and~~  
8 ~~—— (g) revaluations caused by expansion, addition, replacement, or remodeling of improvements; and~~  
9 ~~—— (vi) the dissolution or termination of a tax increment financing district.~~  
10 ~~—— (b) For the purposes of this section, newly taxable property does not include:~~  
11 ~~—— (i) reclassification of property; or~~  
12 ~~—— (ii) an increase in appraised value of land that was previously valued at 75% of the value of~~  
13 ~~improvements on the land as provided in 15-7-111(4) and (5), as those subsections applied on December~~  
14 ~~31, 2001.~~  
15 ~~—— (4) For the purpose of subsection (3)(a)(iv), the subdivision of real property includes the first sale~~  
16 ~~of real property that results in the property being taxable as class four property or as nonagricultural land~~  
17 ~~as described in 15-6-133(1)(c).~~  
18 ~~—— (4)(5) Subsection (1) does not apply to school district general fund levies and the school district~~  
19 ~~levy for tuition obligations established in 20-5-324(5) or 20-6-413.~~  
20 ~~—— (5)(6) For purposes of subsection (1), taxes imposed:~~  
21 ~~—— (a) include registration fees imposed on light vehicles under 61-3-561 and distributed under~~  
22 ~~61-3-509(2); and~~  
23 ~~—— (b) do not include net or gross proceeds taxes received under 15-6-131 and 15-6-132.~~  
24 ~~—— (6) In determining the maximum number of mills in subsection (1), the governmental entity shall~~  
25 ~~take into account any change from the prior year in the amount of statutory reimbursements for changes~~  
26 ~~in the property tax laws. The amount of motor vehicle disposition under 61-3-509(2), as that section read~~  
27 ~~on December 31, 2000, is an increased statutory reimbursement. It may increase the number of mills to~~  
28 ~~account for a decrease in reimbursements and shall decrease the number of mills to fully account for any~~  
29 ~~increase in reimbursements.~~  
30 ~~—— (7) The department shall calculate, on a statewide basis, the number of mills to be imposed for~~

~~purposes of 15-10-107, 20-9-331, 20-9-333, 20-9-360, 20-25-423, and 20-25-439, and 53-2-813. However, the number of mills calculated by the department may not exceed the mill levy limits established in those sections. The mill calculation must be established in whole mills. If the mill levy calculation does not result in a whole number of mills, then the calculation must be rounded up to the nearest whole mill.~~

~~(8) (a) The provisions of subsection (1) do not prevent or restrict:~~

~~(i) a judgment levy under 2-9-316, 7-6-4209, or 7-7-2202;~~

~~(ii) a levy to repay taxes paid under protest as provided in 15-1-402; or~~

~~(iii) an emergency levy authorized under 10-3-405, 20-9-168, or 20-15-326.~~

~~(b) A levy authorized under subsection (8)(a) may not be included in the amount of property taxes actually assessed in a subsequent year.~~

~~(8)(9) The department may adopt rules to implement this section. The rules may include a method for calculating the percentage of change in valuation for purposes of determining the elimination of property, new improvements, or newly taxable property in a governmental unit."~~

**NEW SECTION. Section 256. Effective dates ~~DATE DATES~~.** ~~(1) Except as provided in subsections SUBSECTION (2) and (3) THROUGH (4), [this act] [THIS ACT] (1) EXCEPT AS PROVIDED IN SUBSECTIONS (2) AND (3), [THIS ACT] is effective July 1, 2001.~~

~~(2) [Sections 151, 153 through 160, and 179 through 200] are effective January 1, 2002.~~

~~(2) [SECTION 253(2) AND THIS SECTION] ARE EFFECTIVE ON PASSAGE AND APPROVAL.~~

~~(3) [SECTIONS 6, 7, AND 144] ARE EFFECTIVE JULY 1, 2002.~~

~~(3)(2) [Section 119 96] is effective July 1, 2002.~~

~~(3) [SECTIONS 120, 125, 127, AND 129] ARE EFFECTIVE JULY 1, 2003.~~

~~(4)(2) [SECTION 251(2) 254(2) AND THIS SECTION] ARE EFFECTIVE ON PASSAGE AND APPROVAL.~~

**NEW SECTION. SECTION 258. RETROACTIVE APPLICABILITY.** ~~[SECTION 254(2)] APPLIES RETROACTIVELY, WITHIN THE MEANING OF 1-2-109, TO JULY 1, 2000.~~

**NEW SECTION. SECTION 257. RETROACTIVE APPLICABILITY.** ~~(1) [SECTION 253(2)] APPLIES RETROACTIVELY, WITHIN THE MEANING OF 1-2-109, TO JULY 1, 2000.~~

~~(2) [SECTION 143] APPLIES RETROACTIVELY, WITHIN THE MEANING OF 1-2-109, TO APRIL 1, 2000.~~

1

2 ~~NEW SECTION. Section 254. Termination. (1) [Section 118 95] terminates June 30, 2002.~~

3 ~~(2) [Sections 3 and 255 119, 124, 126, 128, AND 243 through 257 245] terminate June 30,~~

4 ~~2003.~~

5

- END -